

## **BOARD OF TRUSTEES REGULAR PUBLIC MEETING**

DATE: JANUARY 16, 2024

TIME: 7:00 p.m.

LOCATION: Sourdough Fire Station, 4541 S. 3<sup>rd</sup> Rd., Bozeman, MT

### **CALL TO ORDER OF HYALITE RURAL FIRE DISTRICT**

Reminder to the public that meetings are being recorded.

### **PUBLIC COMMENT ON MATTERS NOT INCLUDED IN THE AGENDA**

#### **HYALITE CONSENT AGENDA**

1. Approval of Financial Reports – October, November and December
2. Approval of Warrants
3. Approval of October 17, 2023 Meeting Synopsis  
*[Consent Agenda for October 17, 2023 Attached]*

#### **REGULAR AGENDA**

1. Swearing in of New Firefighters
2. Swearing in of New Captains
3. FY2023 Audit Presentation – *See Attached Documents*
4. Discussion – 2024 Hyalite Rural Fire District Trustee Elections – *See Resolution*
5. Discussion – ISO Report – *See ISO Report*
6. Discussion and Decision – Gallatin County Mutual Aid Agreement – *See Agreement*
7. Discussion - Rae Fire Station
8. Fire Chief's Report – *See Fire Chief's Report*
9. Trustees' Activities
10. Announcements

### **ADJOURNMENT**

This notice is posted on the door of the Administrative Building of the Sourdough Fire Station, the Rae Fire Station, and the Cottonwood Fire Station, and is posted on the Hyalite website and/or Facebook Page at least 48 hours prior to the meeting. Notice of the meeting is published in the Bozeman Daily Chronicle at least 48 hours prior to the meeting.

**Regular Agenda Item 3**  
**FY2023 Audit Report**  
**Draft**

**HYALITE RURAL FIRE DISTRICT**  
**AUDITED FINANCIAL STATEMENTS**  
**June 30, 2023**

# HYALITE RURAL FIRE DISTRICT

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Trustees  
Hyalite Rural Fire District  
Bozeman, MT**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major funds of Hyalite Rural Fire District ("the District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major funds of Hyalite Rural Fire District, as of June 30, 2023, and the respective changes in financial position, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America, require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Amatis CPA Group".

Bozeman, Montana  
December 15, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**HYALITE RURAL FIRE DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2023**

The management's discussion and analysis of the Hyalite Rural Fire District ("the District") provides an overall review of the District's financial activities for the year ended June 30, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers are encouraged to consider the information presented here in conjunction with the additional information contained in the financial statements and notes thereof.

**USING THIS ANNUAL FINANCIAL REPORT**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Overview of the Financial Statements**

Government-wide Financial Statement - Reporting the District as a Whole

*Statement of Net Position and Statement of Activities*

The statement of net position includes all assets, deferred outflows, liabilities, deferred inflows, and net position using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The statement of activities includes all of the current year's revenues and expenses, regardless of when cash is received or paid.

The statement of net position and statement of activities report the District's net position and its change in net position in the current year. Net position is the residual of assets plus deferred outflows less liabilities and deferred inflows, which is one way to measure the District's financial health or financial position. Over time, an increase or decrease in the net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, you need to consider other nonfinancial factors in making an assessment of the District's health, such as changes in the economy.

*Governmental Activities*

The District's functions include emergency response to fires (structure, vehicle, and wild land), medical emergencies, and accidents. Functions include regular firefighting training, public education classes, and testing of area firefighting resources.

Fund Financial Statements - Reporting the District's Most Significant Funds

The fund statements provide detailed information about the funds used by the District. State law generally requires fire districts to segregate money generated for certain specific purposes in separate funds. The District is required to report its activities in these governmental funds: general fund and debt service fund.

Governmental Funds

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. These funds are reported using an accounting method called modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides.

**HYALITE RURAL FIRE DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**June 30, 2023**

**Overview of the Financial Statements (Continued)**

Both the governmental fund balance sheet and the government fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the statement of net position and the statement of activities) and the governmental funds.

**The Government as a Whole**

The following is a schedule of net position:

|                                   | <u>2023</u>         | <u>2022</u>         | <u>Change</u>     |
|-----------------------------------|---------------------|---------------------|-------------------|
| Current and other assets          | \$ 3,650,734        | \$ 3,121,629        | \$ 529,105        |
| Capital assets, net               | <u>4,246,051</u>    | <u>4,351,129</u>    | <u>(105,078)</u>  |
| Total assets                      | <u>7,896,785</u>    | <u>7,472,758</u>    | <u>424,027</u>    |
| Deferred outflows of resources    | 199,350             | 150,589             | 48,761            |
| Current liabilities               | 310,953             | 321,555             | (10,602)          |
| Long-term liabilities outstanding | <u>1,175,263</u>    | <u>1,234,966</u>    | <u>(59,703)</u>   |
| Total liabilities                 | <u>1,486,216</u>    | <u>1,556,521</u>    | <u>(70,305)</u>   |
| Deferred inflows of resources     | <u>15,307</u>       | <u>104,076</u>      | <u>(88,769)</u>   |
| Net position                      |                     |                     |                   |
| Net investment in capital assets  | 3,166,051           | 3,056,129           | 109,922           |
| Restricted                        | 220,845             | 222,028             | (1,183)           |
| Unrestricted                      | <u>3,207,716</u>    | <u>2,684,593</u>    | <u>523,123</u>    |
| Total net position                | <u>\$ 6,594,612</u> | <u>\$ 5,962,750</u> | <u>\$ 631,862</u> |

Net position may serve as a useful indicator of a government's financial position over time. For fiscal year 2023, assets exceeded liabilities by \$6,410,569. A large portion of the District's net position, totaling \$3,166,051, reflects the District's investment in capital assets (e.g. land, buildings and improvements, machinery and equipment, net of depreciation, less any related debt used to acquire those assets that is still outstanding). The District uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position totaling \$220,845 is available for the District to use to meet its debt obligations.

Unrestricted net position totaling \$3,207,716 is available for the District to use in its ongoing obligations to citizens, vendors and creditors.

**HYALITE RURAL FIRE DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**June 30, 2023**

**The Government as a Whole (Continued)**

The following is a schedule of changes in net position:

|                                 | <u>2023</u>         | <u>2022</u>         | <u>Change</u>     |
|---------------------------------|---------------------|---------------------|-------------------|
| Revenues:                       |                     |                     |                   |
| General Revenues                |                     |                     |                   |
| Property taxes                  | \$ 2,042,001        | \$ 1,715,450        | \$ 326,551        |
| Intergovernmental               | 171,022             | 109,421             | 61,601            |
| Interest                        | 56,289              | 11,952              | 44,337            |
| Contributions and donations     | 21,437              | 11,044              | 10,393            |
| CARES Act grants                | -                   | -                   | -                 |
| Miscellaneous                   | 33,823              | 86,290              | (52,467)          |
| Total revenues                  | <u>2,324,572</u>    | <u>1,934,157</u>    | <u>390,415</u>    |
| Expenses:                       |                     |                     |                   |
| Public safety - fire protection | <u>1,692,710</u>    | <u>1,489,535</u>    | <u>203,175</u>    |
| Total expenses                  | <u>1,692,710</u>    | <u>1,489,535</u>    | <u>203,175</u>    |
| Change in net position          | 631,862             | 444,622             | 187,240           |
| Net position, beginning         | <u>5,962,750</u>    | <u>5,518,128</u>    | <u>444,622</u>    |
| Net position, ending            | <u>\$ 6,594,612</u> | <u>\$ 5,962,750</u> | <u>\$ 631,862</u> |

Net position increased by \$631,862 over the prior year. Public safety expenses comprise all governmental activity expenses in 2023. Public safety expenses increased \$203,175 from the prior year. Most of this increase was due to personnel, supplies, and repair and maintenance expenses.

**Governmental Funds**

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financial requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

For the fiscal year ended June 30, 2023, the combined ending fund balances of the District governmental funds were \$3,580,116. This is an increase of \$542,468 over the prior year ending fund balance.

Of the ending fund balance, \$3,079,256 constitutes unassigned fund balance, which is available for current needs. Fund balance of \$255,646 has been committed by the Board for future capital expenditures. \$220,845 of ending fund balance has been restricted for debt service. Ending fund balance of \$24,369 is nonspendable, which represents prepaid expenses.

**HYALITE RURAL FIRE DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**June 30, 2023**

**General Fund**

This is the chief operating fund of the District. At the end of the fiscal year 2023, unassigned fund balance was \$3,079,256, nonspendable fund balance was \$24,369, and committed fund balance was \$255,646.

**Debt Service Fund**

The debt service fund is used to account for and report the accumulation of funds restricted or committed for the periodic payment of principal and interest on general long-term debt. At the end of the fiscal year 2023, restricted fund balance was \$220,845.

**Where do the Resources Come From**

The majority of revenue comes from general property taxes.

**What does it Cost**

The major costs are for personnel services.

**Capital Asset and Debt Administration**

The capital assets are land and buildings, which include fire stations, and equipment including fire trucks, water tenders, and other related vehicles and equipment. See Note 3 to the financial statements for more detailed information on the capital asset activity for the year ended June 30, 2023.

See Note 4 to the financial statements for more detailed information on the long-term debt activity for the year ended June 30, 2023.

**Fund Deficits**

None.

**Excess of Expenditures over Appropriations**

Total expenditures were not in excess of the appropriations for the year ended June 30, 2023.

**The Government's Future**

The District is rapidly growing and, as a result of this growth, seeing an increase in demand for its services. The Board strives to manage the District in a way that balances the increased need for services with the constituent's desire for a stable mill levy. The District expects a steady increase in tax revenue due to continued development growth in the district. This will substantially support the expected increase in operational expenses. The District continues to fund the capital replacement and improvement reserves through unspent revenues from each fiscal year. It is the intent of the District to manage financial resources in a manner that funds expected capital expenditures through these reserves which will result in a steady mill levy.

**CONTACT FOR FURTHER INFORMATION**

Walt Zidack, Treasurer  
Hyalite Rural Fire District  
(406) 586-3770

**HYALITE RURAL FIRE DISTRICT**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

**Governmental Activities**

**ASSETS**

|                                  |                      |
|----------------------------------|----------------------|
| Cash and cash equivalents        | \$ 3,560,716         |
| Receivables:                     |                      |
| Property taxes                   | 61,750               |
| Other                            | 3,899                |
| Prepaid expenses                 | 24,369               |
| Capital assets, nondepreciable   | 361,201              |
| Capital assets, depreciable, net | <u>3,884,850</u>     |
| <br>Total assets                 | <br><u>7,896,785</u> |

**DEFERRED OUTFLOWS OF RESOURCES**

|                                                       |                |
|-------------------------------------------------------|----------------|
| Contributions to pension plans in current fiscal year | <u>199,350</u> |
|-------------------------------------------------------|----------------|

**LIABILITIES**

|                       |                      |
|-----------------------|----------------------|
| Accounts payable      | 8,928                |
| Accrued liabilities   | 39,853               |
| Long-term liabilities |                      |
| Due within one year   | 262,172              |
| Due after one year    | <u>1,175,263</u>     |
| <br>Total liabilities | <br><u>1,486,216</u> |

**DEFERRED INFLOWS OF RESOURCES**

|                                         |                   |
|-----------------------------------------|-------------------|
| Pension deferrals                       | 10,060            |
| Bond refunding                          | <u>5,247</u>      |
| <br>Total deferred inflows of resources | <br><u>15,307</u> |

**NET POSITION**

|                                  |                                |
|----------------------------------|--------------------------------|
| Net investment in capital assets | 3,166,051                      |
| Restricted for:                  |                                |
| Debt service                     | 220,845                        |
| Unrestricted                     | <u>3,207,716</u>               |
| <br>Total net position           | <br><u><u>\$ 6,594,612</u></u> |

See the accompanying independent auditor's report.

**HYALITE RURAL FIRE DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**Year Ended June 30, 2023**

**Governmental Activities**

Expenses

Public safety - fire protection:

|                        |              |
|------------------------|--------------|
| Personnel services     | \$ 676,066   |
| Materials and services | 524,075      |
| Depreciation           | 487,122      |
| Interest               | <u>5,447</u> |

|                        |                  |
|------------------------|------------------|
| Total program expenses | <u>1,692,710</u> |
|------------------------|------------------|

General Revenues

|                             |               |
|-----------------------------|---------------|
| Property taxes              | 2,042,001     |
| Intergovernmental           | 171,022       |
| Interest                    | 56,289        |
| Contributions and donations | 21,437        |
| Miscellaneous               | <u>33,823</u> |

|                        |                  |
|------------------------|------------------|
| Total general revenues | <u>2,324,572</u> |
|------------------------|------------------|

|                        |         |
|------------------------|---------|
| Change in net position | 631,862 |
|------------------------|---------|

|                         |                  |
|-------------------------|------------------|
| Net position, beginning | <u>5,962,750</u> |
|-------------------------|------------------|

|                      |                            |
|----------------------|----------------------------|
| Net position, ending | <u><u>\$ 6,594,612</u></u> |
|----------------------|----------------------------|

See the accompanying independent auditor's report.

**HYALITE RURAL FIRE DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2023**

|                                                                          | <b>General</b>             | <b>Debt<br/>Service</b>  | <b>Total<br/>Governmental<br/>Funds</b> |
|--------------------------------------------------------------------------|----------------------------|--------------------------|-----------------------------------------|
| <b>ASSETS</b>                                                            |                            |                          |                                         |
| Cash and cash equivalents                                                | \$ 3,339,871               | \$ 220,845               | \$ 3,560,716                            |
| Receivables                                                              |                            |                          |                                         |
| Property taxes                                                           | 61,750                     | -                        | 61,750                                  |
| Other                                                                    | 3,899                      | -                        | 3,899                                   |
| Prepaid expenses                                                         | <u>24,369</u>              | <u>-</u>                 | <u>24,369</u>                           |
| Total assets                                                             | <u><u>\$ 3,429,889</u></u> | <u><u>\$ 220,845</u></u> | <u><u>\$ 3,650,734</u></u>              |
| <b>LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCES</b> |                            |                          |                                         |
| Liabilities                                                              |                            |                          |                                         |
| Accounts payable                                                         | \$ 8,928                   | \$ -                     | \$ 8,928                                |
| Accrued liabilities                                                      | <u>39,853</u>              | <u>-</u>                 | <u>39,853</u>                           |
| Total liabilities                                                        | <u>48,781</u>              | <u>-</u>                 | <u>48,781</u>                           |
| Deferred inflows of resources                                            |                            |                          |                                         |
| Unavailable property taxes                                               | <u>21,837</u>              | <u>-</u>                 | <u>21,837</u>                           |
| Fund balances:                                                           |                            |                          |                                         |
| Nonspendable                                                             | 24,369                     | -                        | 24,369                                  |
| Restricted for debt service                                              | -                          | 220,845                  | 220,845                                 |
| Committed for capital                                                    | 255,646                    | -                        | 255,646                                 |
| Unassigned                                                               | <u>3,079,256</u>           | <u>-</u>                 | <u>3,079,256</u>                        |
| Total fund balances                                                      | <u>3,359,271</u>           | <u>220,845</u>           | <u>3,580,116</u>                        |
| Total liabilities, deferred inflows,<br>and fund balances                | <u><u>\$ 3,429,889</u></u> | <u><u>\$ 220,845</u></u> | <u><u>\$ 3,650,734</u></u>              |

See the accompanying independent auditor's report.

**HYALITE RURAL FIRE DISTRICT**  
**RECONCILIATION OF THE BALANCE SHEET OF THE**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**June 30, 2023**

|                                                                                                                                                                              |                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Total fund balance, governmental funds                                                                                                                                       | \$ 3,580,116               |
| Amounts reported for governmental activities in the statement of net position are different because:                                                                         |                            |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.                               | 4,246,051                  |
| Deferred outflows and inflows of resources related to pensions and bond refunding are applicable to future periods and, therefore, are not reported in the government funds. |                            |
| Deferred outflows of resources - pensions                                                                                                                                    | 199,350                    |
| Deferred inflows of resources - pensions                                                                                                                                     | (10,060)                   |
| Deferred inflows of resources - bond refunding                                                                                                                               | (5,247)                    |
| Other long-term assets are not available to pay current period expenditures and, therefore, are deferred in the governmental funds.                                          |                            |
| Unavailable property taxes                                                                                                                                                   | 21,837                     |
| Some liabilities are not due and payable in the current period and, therefore, are not included in the governmental funds.                                                   |                            |
| Compensated absences                                                                                                                                                         | (47,172)                   |
| Bonds payable                                                                                                                                                                | (1,080,000)                |
| Net pension liability                                                                                                                                                        | <u>(310,263)</u>           |
| Net position of governmental activities                                                                                                                                      | <u><u>\$ 6,594,612</u></u> |

See the accompanying independent auditor's report.

**HYALITE RURAL FIRE DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2023**

|                                       | <b>General</b>             | <b>Debt<br/>Service</b>  | <b>Total<br/>Governmental<br/>Funds</b> |
|---------------------------------------|----------------------------|--------------------------|-----------------------------------------|
| <b>REVENUES</b>                       |                            |                          |                                         |
| Property taxes                        | \$ 2,034,861               | \$ -                     | \$ 2,034,861                            |
| Intergovernmental                     | 167,454                    | -                        | 167,454                                 |
| Interest                              | 56,289                     | -                        | 56,289                                  |
| Contributions and donations           | 21,437                     | -                        | 21,437                                  |
| Miscellaneous                         | <u>33,824</u>              | <u>-</u>                 | <u>33,824</u>                           |
| Total revenues                        | <u>2,313,865</u>           | <u>-</u>                 | <u>2,313,865</u>                        |
| <b>EXPENDITURES</b>                   |                            |                          |                                         |
| Public safety - fire protection       |                            |                          |                                         |
| Personnel services                    | 643,787                    | -                        | 643,787                                 |
| Materials and services                | 524,075                    | -                        | 524,075                                 |
| Debt service                          |                            |                          |                                         |
| Principal                             | -                          | 215,000                  | 215,000                                 |
| Interest                              | -                          | 6,490                    | 6,490                                   |
| Capital outlay                        | <u>382,045</u>             | <u>-</u>                 | <u>382,045</u>                          |
| Total expenditures                    | 1,549,907                  | 221,490                  | 1,771,397                               |
| Excess of revenues over expenditures  | <u>763,958</u>             | <u>(221,490)</u>         | <u>542,468</u>                          |
| <b>OTHER FINANCING SOURCES (USES)</b> |                            |                          |                                         |
| Transfers in                          | -                          | 220,845                  | 220,845                                 |
| Transfers out                         | <u>(220,845)</u>           | <u>-</u>                 | <u>(220,845)</u>                        |
| Total other financing sources (uses)  | <u>(220,845)</u>           | <u>220,845</u>           | <u>-</u>                                |
| Net change in fund balances           | 543,113                    | (645)                    | 542,468                                 |
| Fund balances, beginning of the year  | <u>2,816,158</u>           | <u>221,490</u>           | <u>3,037,648</u>                        |
| Fund balances, end of the year        | <u><u>\$ 3,359,271</u></u> | <u><u>\$ 220,845</u></u> | <u><u>\$ 3,580,116</u></u>              |

See the accompanying independent auditor's report.

**HYALITE RURAL FIRE DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**June 30, 2023**

|                                                        |    |         |
|--------------------------------------------------------|----|---------|
| Net change in fund balances - total governmental funds | \$ | 542,468 |
|--------------------------------------------------------|----|---------|

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

|                      |  |           |
|----------------------|--|-----------|
| Capital outlay       |  | 382,045   |
| Depreciation expense |  | (487,122) |

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:

|                                       |  |       |
|---------------------------------------|--|-------|
| Change in unavailable property taxes  |  | 7,140 |
| State pension aid (on-behalf payment) |  | 3,567 |

|                                                                                                                                                                         |  |         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------|
| The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. The repayment; however, has no effect on net position. |  | 215,000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------|

Some expenses reported in the statement of activities do not require the use of current financial resources and; therefore, are not reported as expenditures in the governmental funds:

|                                         |  |                 |
|-----------------------------------------|--|-----------------|
| Compensated absences                    |  | (9,901)         |
| Bond refunding amortization             |  | 1,043           |
| Adjustment to actuarial pension expense |  | <u>(22,378)</u> |

|                                                   |    |                       |
|---------------------------------------------------|----|-----------------------|
| Change in net position of governmental activities | \$ | <u><u>631,862</u></u> |
|---------------------------------------------------|----|-----------------------|

See the accompanying independent auditor's report.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The Hyalite Rural Fire District (the District), is organized and operated under the provisions of Title 7, Chapter 33, Part 21, Montana Code Annotated, to provide life, safety, and fire protection systems to the Hyalite community. It is a separate political entity established by the Gallatin County Commissioners, the affairs of which are governed and managed by an elected Board of Trustees (the Board). The County levies and collects taxes to fund the District's budget, and the Gallatin County Treasurer serves as Treasurer of the District. The District is not a component unit of another entity and has no component units.

**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the activities of the District. Governmental activities, which are supported by taxes, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. For the year ended June 30, 2023, the District did not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. For the year ended June 30, 2023, the District did not have any program revenue. Property taxes and other items are reported as general revenues.

Fund financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund – The general fund is the District's primary operating fund. It is used to account for and report all financial resources except those required to be accounted for in another fund.

Debt Service Fund – The debt service fund is used to account for and report the accumulation of funds restricted or committed for the periodic payment of principal and interest on general long-term debt.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. On an accrual basis, revenues from property taxes and benefit assessments are recognized in the year for which the taxes and assessments are levied and revenue from investments is recognized when earned.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and Investments**

Cash is held by the Gallatin County Treasurer and pooled in the County external investment pool. The fair value of the position in the pool is the same as the value of the pool shares. The County Treasurer invests the pooled cash pursuant to state law (MCA 20-9-213[4]). Allowable investments include time and savings deposits with a bank, savings and loan association, or credit union in the state, obligations of the United States Government, securities issued by agencies of the United States, repurchased agreements, and the State Short-Term Investment Pool (STIP). The audited financial statements of Gallatin County, which include information about the investment pool, are available at <https://lgs.mt.gov/>.

**Taxes Receivable**

Property tax levies are set by the County, in connection with the budget process, and are based on taxable values listed as of January 1 for all real property located in the District. Taxable values are established by the Montana Department of Revenue based on market values. A revaluation of all property is required to be completed on a periodic basis. Taxable value is defined by Montana statute as a fixed percentage of market value.

Real property taxes and special assessments are generally billed in October and are payable one half by November 30 and one half by May 31. After these dates, taxes and assessments become delinquent and become a lien on the property. Personal property is assessed and personal property taxes are billed throughout the year, with a significant portion generally billed in May, June, and July. Personal property taxes are based on levies set during the prior August. These taxes become delinquent 30 days after billing. Taxes and assessments that become delinquent are charged interest at the rate of 5/6 of 1% per month from the time of delinquency until paid plus a penalty of 2%. Real property on which taxes and assessments remain delinquent and unpaid may be sold at tax sales. In the case of personal property, the property is seized and sold after the taxes become delinquent.

**Capital Assets**

Capital assets, which include land, buildings and improvements, and machinery and equipment, are reported on the statement of net position. All capital assets with a purchase price over \$5,000 are capitalized. Such assets are recorded at historical cost. Donated property and materials are recorded at fair market value as of the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized.

Buildings and improvements and machinery and equipment are depreciated using the straight-line method over the following estimated useful lives:

|                            |            |
|----------------------------|------------|
| Buildings and improvements | 7-40 years |
| Machinery and equipment    | 3-7 years  |

**Long-term Obligations**

In the fund-level financial statements, governmental funds report the face amount of debt issued, as well as any premiums (discounts) as other financing sources (uses). Debt issuance costs are reported as debt service expenditures. In the government-wide financial statements, long-term debt is reported as liabilities in the statement of net position. Bond issuance costs are expensed. Bond premiums/discounts are reported along with the debt as valuation accounts and amortized as a component of interest expense.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Compensated Absences**

Liabilities associated with accumulated vacation and sick leave are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements. District employees earn vacation leave ranging from 15 to 24 days per year, depending on the individual's years of service. The maximum permissible accumulation is the amount earned in a year. At termination, employees are paid for any accumulated vacation leave, up to the maximum accumulation, at the current rate of pay. District employees earn sick leave at the rate of one day per month. There is no limit on the accumulation of sick leave days. Upon termination, only 25% of accumulated sick leave is paid.

**Net Pension Liability and Deferred Outflows/Inflows of Resources**

The District recognized net pension liability for the pension plan in which it participates. Changes in the net pension liability during the year are recorded as pension expense, or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change. Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investment earnings are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense.

**Fund Balance**

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

In accordance with GASB 54, the District reports fund balance in two general classifications: nonspendable and spendable. Nonspendable represents the portion of fund balance that is not in spendable form such as prepaid expenses. Spendable fund balance is further categorized as restricted, committed, assigned, and unassigned.

The restricted fund balance category contains balances that can be spent only for the specific purposes stipulated by external parties. External parties include grantors, debt covenants, votes, and laws and regulations of other governments.

The committed fund balance category includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, the Board of Trustees. The Board needs to formally adopt a Resolution in order to establish, modify, or rescind a fund balance commitment.

Amounts in the assigned fund balance are to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual classification for the government's general fund.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Balance (Continued)**

When an expense is incurred for purposes for which both restricted and unrestricted fund balance are available, the District's policy is to apply restricted fund balance first.

**Net Position**

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets.

Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, granters, or laws and regulations of other governments. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District's policy is to apply restricted net position first.

**New Accounting Standards**

During the year ended June 30, 2023, the District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. This Statement did not have a material effect on the District's financial statements.

**2. CASH AND CASH EQUIVALENTS**

As of June 30 2023, the District had the following investment:

|                                          | <u><b>Unrestricted</b></u> | <u><b>Restricted</b></u> | <u><b>Total</b></u> |
|------------------------------------------|----------------------------|--------------------------|---------------------|
| Gallatin County External Investment Pool | \$ 3,339,871               | \$ 220,845               | \$ 3,560,716        |

The District participates in an investment pool managed by the Gallatin County Treasurer. The pool is not registered with the Securities and Exchange Commission as an investment company and is not subject to regulatory oversight. Investments of the pool consist primarily of repurchase agreements, STIP, U.S. Treasury Bills, and securities of the U.S. Government, its agencies, or government sponsored entities and are carried at quoted market prices. The fair value of investments is determined annually, and is based on quoted market prices.

The District's balance in the investment pool is reported as cash and cash equivalents in the accompanying financial statements, as the District has full access to these funds upon request. Interest earnings are allocated to the individual funds of the District based on the District's month end balance in relation to the total pool investments.

Montana law allows the local governing body to require security for the portion of deposits not guaranteed or insured. Deposit insurance is administered by the Federal Deposit Insurance Corporation. Since the District invests in a pool managed by the County Treasurer, pledged securities for the various individual deposits and repurchase agreements are managed by the County Treasurer.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**3. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2023, were as follows:

|                                             | <u>Balance</u><br><u>July 1, 2022</u> | <u>Additions</u>    | <u>Disposals</u> | <u>Transfers</u> | <u>Balance</u><br><u>June 30, 2023</u> |
|---------------------------------------------|---------------------------------------|---------------------|------------------|------------------|----------------------------------------|
| Capital assets not being depreciated:       |                                       |                     |                  |                  |                                        |
| Land                                        | \$ 361,201                            | \$ -                | \$ -             | \$ -             | \$ 361,201                             |
| Total capital assets not being depreciated  | <u>361,201</u>                        | <u>-</u>            | <u>-</u>         | <u>-</u>         | <u>361,201</u>                         |
| Capital assets being depreciated:           |                                       |                     |                  |                  |                                        |
| Buildings and improvements                  | 4,115,009                             | 20,875              | -                | -                | 4,135,884                              |
| Machinery and equipment                     | <u>3,471,340</u>                      | <u>361,169</u>      | <u>-</u>         | <u>-</u>         | <u>3,832,509</u>                       |
| Total                                       | 7,586,349                             | 382,044             | -                | -                | 7,968,393                              |
| Less accumulated depreciation               | <u>(3,596,421)</u>                    | <u>(487,122)</u>    | <u>-</u>         | <u>-</u>         | <u>(4,083,543)</u>                     |
| Total capital assets being depreciated, net | <u>3,989,928</u>                      | <u>(105,078)</u>    | <u>-</u>         | <u>-</u>         | <u>3,884,850</u>                       |
| Capital assets, net                         | <u>\$ 4,351,129</u>                   | <u>\$ (105,078)</u> | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 4,246,051</u>                    |

Depreciation expense for the year ended June 30, 2023, totaling \$487,122, was charged to public safety expense.

**4. LONG-TERM LIABILITIES**

In February 2022, the District issued general obligation bonds in the amount of \$1,720,000 to refund the Series 2013 bonds. The bonds were issued at par, carry interest rates of 0.2% to 0.8%, and mature in 2028. The District reduced its debt service payments by \$176,286 over the next 8 years by refunding the prior debt and there was an economic gain on the refunding of \$172,645. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The difference is deferred and amortized over the shorter of the life of the refunded or refunding debt. At June 30 2023, the District reported deferred inflows of resources in the amount of \$5,247 related to the refunding bonds. The deferred charges are being amortized as a component of interest expense in the statement of activities.

**Changes in Long-term Debt**

The following is a summary of the changes in long-term debt for the year ended June 30, 2023:

|                       | <u>June 30, 2022</u> | <u>Additions</u>  | <u>Reductions</u>   | <u>June 30, 2023</u> | <u>Amount Due within</u><br><u>One Year</u> |
|-----------------------|----------------------|-------------------|---------------------|----------------------|---------------------------------------------|
| Direct placement      |                      |                   |                     |                      |                                             |
| Bonds payable         | \$ 1,295,000         | \$ -              | \$ (215,000)        | \$ 1,080,000         | \$ 215,000                                  |
| Premium               | -                    | 5,247             | (5,247)             | -                    | N/A                                         |
| Net pension liability | 154,966              | 155,297           | -                   | 310,263              | -                                           |
| Compensated absences  | <u>37,271</u>        | <u>19,219</u>     | <u>(9,318)</u>      | <u>47,172</u>        | <u>47,172</u>                               |
| Total                 | <u>\$ 1,487,237</u>  | <u>\$ 179,763</u> | <u>\$ (229,565)</u> | <u>\$ 1,437,435</u>  | <u>\$ 262,172</u>                           |

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**4. LONG-TERM LIABILITIES (Continued)**

**Debt Service Requirement to Maturity**

The approximate annual debt service requirements to maturity, including principal and interest, for long-term debt as of June 30 2023, are as follows:

| <u>Year ending June 30,</u> | <u>Principal</u>    | <u>Interest</u>  |
|-----------------------------|---------------------|------------------|
| 2024                        | \$ 215,000          | \$ 6,167         |
| 2025                        | 215,000             | 5,468            |
| 2026                        | 215,000             | 4,662            |
| 2027                        | 215,000             | 3,695            |
| 2028                        | 220,000             | 3,339            |
|                             | <u>\$ 1,080,000</u> | <u>\$ 23,331</u> |

**5. RETIREMENT PLAN - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (FURS)**

**Summary of Significant Accounting Policies**

MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the Net Pension Liability (NPL); Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the Fiduciary Net Position; and, Additions to or Deductions from Fiduciary Net Position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

**General Information about the Pension Plan**

*Plan Description*

The Firefighters' Unified Retirement System (FURS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan established in 1981, and governed by Title 19, chapters 2 & 13, Montana Code Annotated (MCA). This plan provides retirement benefits to firefighters employed by first- and second-class cities, other cities and rural fire district departments that adopt the plan, and to firefighters hired by the Montana Air National Guard on or after October 1, 2001. Benefits are established by state law and can only be amended by the Legislature.

*Benefits Provided*

The FURS provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAC). Member rights are vested after five years of service.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**5. RETIREMENT PLAN - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (Continued)**

**Service retirement and monthly benefit formula:**

- Hired on or after July 1, 1981, or member has elected to be covered by GABA:
  - 20 years of membership service, regardless of age
  - 2.5% of HAC x years of service credit
- Hired prior to July 1981 and who had not elected to be covered by GABA, the greater of above or:
  - If membership service is less than 20 years: 2% of the highest monthly compensation (HMC) for each year of service credit, or
  - If membership service is greater or equal to 20 years: 50% of HMC plus 2% of HMC for each year of service credit in excess of 20
- Early retirement: Age 50 with 5 years of membership service - Normal retirement benefit calculated using HAC and service credit

**Second retirement:**

Applies to retirement system members re-employed in a FURS position on or after July 1, 2017:

- If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
  - is not awarded service credit for the period of reemployment;
  - is refunded the accumulated contributions associated with the period of reemployment;
  - starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
  - does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following second retirement.
- If the member works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
  - is awarded service credit for the period of reemployment;
  - starting the first month following termination of service, receives:
    - ◆ the same retirement benefit previously paid to the member; and
    - ◆ a second retirement benefit for the period of reemployment calculated based on the laws in effect as of the members' rehire date, and
  - does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA:
    - ◆ on the initial retirement benefit in January immediately following second retirement, and
    - ◆ on the second retirement benefit starting in January after receiving that benefit for at least 12 months.
  - A member who returns to covered service is not eligible for a disability benefit.

**Member's compensation period used in benefit calculation:**

- Hired prior to July 1, 1981 and not electing GABA: highest monthly compensation (HMC);
- Hired after June 30, 1981 and those electing GABA: highest average compensation (HAC) during any consecutive 36 months (or shorter period of total service).
- Part-time firefighter: 15% of regular compensation of a newly confirmed full-time firefighter.

**HYALITE RURAL FIRE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023**

**5. RETIREMENT PLAN - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (Continued)**

**Compensation Cap**

- Hired on or after July 1, 2013: 110% annual cap on compensation considered as a part of a member's HAC.
- 

**Guaranteed Annual Benefit Adjustment (GABA)**

- Hired on or after July 1, 1997, or those electing GABA, and has been retired for at least 12 months – the member's benefit increases by 3.0% each January.

**Minimum Benefit Adjustment (non-GABA)**

A member with 10 or more years of membership service who has not elected to be covered under GABA - the minimum benefit provided may not be less than 50% of the monthly compensation paid to a newly confirmed active firefighter of the employer that last employed the member as a firefighter in the current fiscal year.

*Contributions*

The State Legislature has the authority to establish and amend contribution rates to the plan. Member and employer contribution rates are specified by Montana Statute and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

*Special Funding*

MCA 19-13-604 requires the State of Montana to contribute a percentage of total compensation directly to the Plan annually after the end of each fiscal year. Member, Employer and State contribution rates are shown in the table below.

| Fiscal Year | Member   |          | Employer | State    |
|-------------|----------|----------|----------|----------|
|             | Non-GABA | GABA     |          |          |
| 1998-2023   | 9.500 %  | 10.700 % | 14.360 % | 32.610 % |
| 1997        | 7.800 %  | -        | 14.360 % | 32.610 % |

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

GASB Statement 68 allows a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's Total Pension Liability (TPL). The basis for the TPL as of June 30, 2023, is on an actuarial valuation performed by the Plan's actuary as of June 30, 2022. The TPL minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the State of Montana's NPL for June 30, 2023, and 2022, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. Due to the existence of the special funding situation, the state is required to report a proportionate share of a local government's collective NPL that is associated with the non-state employer. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid. The employer recorded a liability of \$278,010 and the employer's proportionate share was 0.1750%.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**5. RETIREMENT PLAN - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (Continued)**

|                                                                     | Net Pension<br>Liability as<br>of 6/30/2022 | Net Pension<br>Liability as<br>of 6/30/2021 | Percent of<br>Collective NPL<br>as of 6/30/2022 | Percent of<br>Collective NPL<br>as of 6/30/2021 | Change in<br>Percent of<br>Collective NPL |
|---------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------|
| Employer Proportionate<br>share                                     | \$ 278,010                                  | \$ 122,243                                  | 0.1750 %                                        | 0.1428 %                                        | 0.0322 %                                  |
| State of Montana<br>Proportionate share<br>associated with Employer | <u>628,985</u>                              | <u>277,452</u>                              | <u>0.3960 %</u>                                 | <u>0.3242 %</u>                                 | <u>0.0718 %</u>                           |
| Total                                                               | <u>\$ 906,995</u>                           | <u>\$ 399,695</u>                           | <u>0.5710 %</u>                                 | <u>0.4670 %</u>                                 | <u>0.1040 %</u>                           |

*Changes in Actuarial Assumptions and Methods*

The following changes in assumptions or other inputs were made that affected the measurement of the TPL.

1. The discount rate was increased from 7.06% to 7.30%
2. The investment rate of return was increased from 7.06% to 7.30%
3. The payroll growth rate was reduced from 3.50% to 3.25%
4. All mortality tables were updated to the PUB2010 tables for public safety employees
5. Updated the rates of withdrawal, retirement, disability, and merit increase scales
6. The inflation rate was increased from 2.40% to 2.75%

*Changes in Benefit Terms*

There have been no changes in benefit terms since the previous measurement date.

*Changes in Proportionate Share*

There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

*Pension Expense*

At June 30, 2022 measurement date, the employer recognized its proportionate share of the Plan's pension expense of \$64,762. The employer also recognized grant revenue of \$128,704 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the employer.

|                                                                  |                                           |
|------------------------------------------------------------------|-------------------------------------------|
|                                                                  | Pension<br>Expense as of<br>June 30, 2022 |
| Employer Proportionate share                                     | \$ 64,762                                 |
| State of Montana Proportionate share<br>associated with Employer | <u>128,704</u>                            |
| Total                                                            | <u>\$ 193,466</u>                         |

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**5. RETIREMENT PLAN - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (Continued)**

*Recognition of Deferred Inflows and Outflows*

At June 30, 2022, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

|                                                                                                               | Deferred<br>Outflows<br>of Resources | Deferred<br>Inflows<br>of Resources |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between actual and expected experience                                                            | \$ 24,247                            | \$ 543                              |
| Changes in assumptions                                                                                        | 72,248                               | -                                   |
| Difference between projected and actual earnings on pension plan investments                                  | 17,461                               | -                                   |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 25,454                               | -                                   |
| Contributions paid subsequent to the measurement date                                                         |                                      |                                     |
| FY2022 contributions                                                                                          | 55,286                               | -                                   |
| Total                                                                                                         | <u>\$ 194,696</u>                    | <u>\$ 543</u>                       |

Deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date in the amount of \$55,286 will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| FURS | For the measurement<br>year ended<br>June 30: | Recognition of Deferred Outflows<br>and Deferred Inflows in future years<br>as an increase or (decrease) to<br>Pension Expense |
|------|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
|      | 2023                                          | \$ 34,796                                                                                                                      |
|      | 2024                                          | 23,395                                                                                                                         |
|      | 2025                                          | 15,102                                                                                                                         |
|      | 2026                                          | 48,152                                                                                                                         |
|      | Thereafter                                    | 17,422                                                                                                                         |

*Actuarial Assumptions*

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions.

|                                          |             |
|------------------------------------------|-------------|
| Investment Return (net of admin expense) | 7.30%       |
| Admin Expense as % of Payroll            | .17%        |
| General Wage Growth *                    | 3.50%       |
| *includes Inflation at                   | 2.75%       |
| Merit Increases                          | 1% to 6.40% |

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**5. RETIREMENT PLAN - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (Continued)**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Postretirement Benefit Increases</p> <ol style="list-style-type: none"> <li>Guaranteed Annual Benefit Adjustment (GABA) each January <ul style="list-style-type: none"> <li>Members hired on or after July 1, 1997 or those electing GABA</li> <li>Requires 12 full months of retirement before GABA will be made</li> </ul> </li> <li>Minimum Benefit Adjustment (non-GABA) <ul style="list-style-type: none"> <li>Members with 10 or more years of membership service and member did not elect GABA</li> </ul> </li> </ol> | <p>3.0%</p> <p>The minimum benefit provided should be less than 50% of the current base compensation of a newly confirmed active firefighter of the employer that last employed the member as a firefighter.</p>                                                                                                                                                        |
| <p>Mortality:</p> <ul style="list-style-type: none"> <li>Active Participants</li> <li>Healthy Retirees</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                               | <p>PUB-2010 Safety Amount Weighted Healthy Retiree Mortality Table projected to 2021 for males and females. Projected generationally using MP-2021.</p> <p>PUB-2010 Safety Amount Weighted Healthy Retiree Mortality Table projected to 2021, set forward one year for males, adjusted 105% for males and 100% for females. Projected generationally using MP-2021.</p> |
| <p>Mortality continued:</p> <ul style="list-style-type: none"> <li>Contingent Survivors</li> <li>Disabled Retirees</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                   | <p>PUB-2010 Safety Amount Weighted Healthy Retiree Mortality Table Projected to 2021, set forward one year for males, adjusted 105% for generationally using MP-2021 .</p> <p>PUB-2010 Safety Amount Weighted Disabled Retiree Mortality Table projected to 2021, set forward one year for males.</p>                                                                   |

The actuarial assumptions and methods utilized in the June 30, 2022 valuation were developed in the five-year experience study for the period ending June 30, 2021.

*Discount Rate*

The discount rate used to measure the TPL was 7.30%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 32.61% of the salaries paid by employers. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2133. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**5. RETIREMENT PLAN - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (Continued)**

*Target Allocations*

The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2022, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class as of the most recent experience study, are summarized in the following table.

| Asset Class           | Target Asset<br>Allocation | Long-Term<br>Expected Real Rate<br>of Return Arithmetic |
|-----------------------|----------------------------|---------------------------------------------------------|
| Cash                  | 3.0 %                      | (0.33)%                                                 |
| Domestic equity       | 30.0 %                     | 5.90 %                                                  |
| International equity  | 17.0 %                     | 7.14 %                                                  |
| Private investments   | 15.0 %                     | 9.13 %                                                  |
| Natural resources     | 5.0 %                      | 4.03 %                                                  |
| Real estate           | 9.0 %                      | 5.41 %                                                  |
| Core fixed income     | 15.0 %                     | 1.14 %                                                  |
| Non-core fixed income | 6.0 %                      | 3.02 %                                                  |

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the employer's sensitivity of the NPL to the discount rate in the table on below. A small change in the discount rate can create a significant change the liability. The NPL was calculated using the discount rate of 7.30%, as well as what the NPL would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

|                                                        | 1.0% Decrease<br>(6.30%) | Current Discount<br>Rate | 1.0% Increase<br>(8.30%) |
|--------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| FURS Employer's proportion of<br>Net Pension Liability | \$ 481,837               | \$ 278,010               | \$ 115,256               |

*Pension Plan Fiduciary Net Position*

The stand-alone financial statements of the Montana Public Employees Retirement Board (PERB) Annual Comprehensive Financial Report (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or both are available on the MPERA website at:  
<http://mpera.mt.gov/about/annualreports1/annualreports>.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)**

**Summary of Significant Accounting Policies**

MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the Net Pension Liability (NPL); Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the Fiduciary Net Position; and, Additions to or Deductions from Fiduciary Net Position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

**General Information about the Pension Plan**

*Plan Description*

The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan provides retirement benefits to covered employees of the State, and local governments, and certain employees of the Montana University System, and school districts. Benefits are established by state law and can only be amended by the Legislature.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP).

*Benefits Provided*

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAC). Member rights are vested after five years of service.

**Service retirement:**

- Hired prior to July 1, 2011:
  - Age 60, 5 years of membership service
  - Age 65, regardless of membership service
  - Any age, 30 years of membership service
- Hired on or after July 1, 2011:
  - Age 65, 5 years of membership service
  - Age 70, regardless of membership service

**Early retirement:**

- Hired prior to July 1, 2011:
  - Age 50, 5 years of membership service
  - Any age, 25 years of membership service

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (Continued)**

- Hired on or after July 1, 2011:
  - Age 55, 5 years of membership service

**Second retirement:** (requires returning to PERS-covered employer or PERS service)

- Retired before January 1, 2016 and accumulate less than 2 years additional service credit or retired on or after January 1, 2016 and accumulate less than 5 years additional service credit:
  - A refund of member's contributions plus return interest (currently 2.02% effective July 1, 2018).
  - No service credit for second employment;
  - Start the same benefit amount the month following termination; and
  - Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.
- Retired before January 1, 2016 and accumulate at least 2 years of additional service credit:
  - A recalculated retirement benefit based on provisions in effect after the initial retirement; and
  - GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.
- Retired on or after January 1, 2016 and accumulate 5 or more years of service credit:
  - The same retirement as prior to the return to service;
  - A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
  - GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

**Member's highest average compensation (HAC)**

- Hired prior to July 1, 2011 highest average compensation during any consecutive 36 months;
- Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months;

**Compensation Cap**

- Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's highest average compensation.

**Monthly benefit formula**

- Members hired prior to July 1, 2011
  - Less than 25 years of membership service: 1.785% of HAC per year of service credit;
  - 25 years of membership service or more: 2% of HAC per year of service credit.
- Members hired on or after July 1, 2011
  - Less than 10 years of membership service: 1.5% of HAC per year of service credit;
  - 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
  - 30 years or more of membership service: 2% of HAC per year of service credit.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**Guaranteed Annual Benefit Adjustment (GABA)**

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member's benefit.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
  - 1.5% for each year PERS is funded at or above 90%;
  - 1.5% reduced by 0.1% for each 2.0% PERS is funded below 90%; and
  - 0% whenever the amortization period for PERS is 40 years or more.

*Contributions*

The state Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are specified by Montana Statute and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

*Special Funding*

The State of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as special funding. Those employers who received special funding are all participating employers.

*Not Special Funding*

Per Montana law, state agencies and universities paid their own additional contributions. The employer paid contributions are not accounted for as special funding for state agencies and universities but are reported as employer contributions.

Member and employer contribution rates are shown in the table below.

| Fiscal Year | Member                   |                         | Local Government |        |
|-------------|--------------------------|-------------------------|------------------|--------|
|             | Hired before<br>7/1/2011 | Hired after<br>7/1/2011 | Employer         | State  |
| 2023        | 7.90 %                   | 7.90 %                  | 8.97 %           | 0.10 % |
| 2022        | 7.90 %                   | 7.90 %                  | 8.87 %           | 0.10 % |
| 2021        | 7.90 %                   | 7.90 %                  | 8.77 %           | 0.10 % |
| 2020        | 7.90 %                   | 7.90 %                  | 8.67 %           | 0.10 % |
| 2019        | 7.90 %                   | 7.90 %                  | 8.57 %           | 0.10 % |
| 2018        | 7.90 %                   | 7.90 %                  | 8.47 %           | 0.10 % |
| 2017        | 7.90 %                   | 7.90 %                  | 8.37 %           | 0.10 % |
| 2016        | 7.90 %                   | 7.90 %                  | 8.27 %           | 0.10 % |
| 2015        | 7.90 %                   | 7.90 %                  | 8.17 %           | 0.10 % |
| 2014        | 7.90 %                   | 7.90 %                  | 8.07 %           | 0.10 % |
| 2012-2013   | 6.90 %                   | 7.90 %                  | 7.07 %           | 0.10 % |
| 2010-2011   | 6.90 %                   |                         | 7.07 %           | 0.10 % |
| 2008-2009   | 6.90 %                   |                         | 6.94 %           | 0.10 % |
| 2000-2007   | 6.90 %                   |                         | 6.80 %           | 0.10 % |

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (Continued)**

1. Member contributions to the system of 7.9% are temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
2. Employer contributions to the system:
  - a. Effective July 1, 2014, following the 2013 Legislative session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and additional member contributions rates.
  - b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
  - c. The portion of employer contributions allocated to the Plan Choice Rate (PCR) are included in the employers reporting. The PCR was paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.
3. Non-Employer Contributions:
  - a. Special Funding
    - i. The state contributed 0.1% of members' compensation on behalf of local government entities.
    - ii. The state contributed .37% of members' compensation on behalf of school district entities.
    - iii. The state contributed a Statutory Appropriation from the General Fund of \$34,633,570.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

GASB Statement 68 allows a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's TPL. The basis for the TPL as of June 30, 2022, was determined by taking the results of the June 30, 2022, actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The roll forward procedure will include the effects of any assumption changes and legislative changes. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the state of Montana's NPL for June 30, 2022, and 2021, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The State's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid. The employer recorded a liability of \$32,253 and the employer's proportionate share was 0.001356%.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (Continued)**

|                                                               | Net Pension<br>Liability as of<br>6/30/2022 | Net Pension<br>Liability as of<br>6/30/2021 | Percent of<br>Collective NPL<br>as of 6/30/2022 | Percent of<br>Collective NPL<br>as of 6/30/2021 | Change in<br>Percent of<br>Collective NPL |
|---------------------------------------------------------------|---------------------------------------------|---------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------|
| Employer Proportionate share                                  | \$ 32,253                                   | \$ 32,723                                   | 0.001356 %                                      | 0.001805 %                                      | (0.000449)%                               |
| State of Montana proportionate share associated with Employer | 9,595                                       | 9,602                                       | 0.000404 %                                      | 0.000530 %                                      | (0.000126)%                               |
| Total                                                         | <u>\$ 41,848</u>                            | <u>\$ 42,325</u>                            | <u>0.001760 %</u>                               | <u>0.002335 %</u>                               | <u>(0.000575)%</u>                        |

*Changes in Actuarial Assumptions and Methods*

The following changes in assumptions or other inputs were made that affected the measurement of the TPL.

1. The discount rate was increased from 7.06% to 7.30%
2. The investment rate of return was lowered from 7.06% to 7.34%
3. The payroll growth rate was reduced from 3.5% to 3.25%
4. All mortality tables were updated to the PUB2010 tables for public safety employees
5. Updated the rates of withdrawal, retirement, disability, and merit increase scales
6. The inflation rate was increased from 2.40% to 2.75%

*Changes in Benefit Terms*

There have been no changes in benefit terms since the previous measurement date.

*Changes in Proportionate Share*

There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

*Pension Expense*

At June 30, 2022, the employer recognized a Pension Expense of \$11,784 for its proportionate share of the Plan's pension expense. The employer also recognized grant revenue of \$995 for the support provided by the State of Montana for its proportionate share of the pension expense associated with the employer.

|                                                               | Pension Expense as<br>of June 30, 2022 |
|---------------------------------------------------------------|----------------------------------------|
| Employer Proportionate share                                  | \$ 11,784                              |
| State of Montana Proportionate share associated with Employer | 995                                    |
| Total                                                         | <u>\$ 12,779</u>                       |

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (Continued)**

*Recognition of Deferred Inflows and Outflows*

At June 30, 2022, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

|                                                                                                               | Deferred<br>Outflows<br>of Resources | Deferred<br>Inflows<br>of Resources |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between actual and expected experience                                                            | \$ 411                               | \$ -                                |
| Changes in assumptions                                                                                        | 1,202                                | 2,361                               |
| Difference between projected and actual earnings on pension plan investments                                  | 948                                  | -                                   |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | -                                    | 7,156                               |
| Contributions paid subsequent to the measurement date FY 2022 contributions                                   | 2,093                                | -                                   |
| Total                                                                                                         | <u>\$ 4,654</u>                      | <u>\$ 9,517</u>                     |

Deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date in the amount of \$2,093 will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| PERS | For the measurement<br>year ended June 30: | Recognition of Deferred Outflows<br>and Deferred Inflows in future years<br>as an increase or (decrease) to<br>Pension Expense |
|------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
|      | 2023                                       | \$ (3,406)                                                                                                                     |
|      | 2024                                       | (4,686)                                                                                                                        |
|      | 2025                                       | (1,022)                                                                                                                        |
|      | 2026                                       | 2,158                                                                                                                          |

*Actuarial Assumptions*

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions.

|                                          |             |
|------------------------------------------|-------------|
| Investment Return (net of admin expense) | 7.30%       |
| General Wage Growth *                    | 3.50%       |
| *includes Inflation at                   | 2.75%       |
| Merit Increases                          | 0% to 4.80% |

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (Continued)**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Postretirement Benefit Increases</p> <p>1. Guaranteed Annual Benefit Adjustment (GABA) each January</p> <ul style="list-style-type: none"> <li>• After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member's benefit. <ul style="list-style-type: none"> <li>• Members hired prior to July 1, 2007</li> <li>• Members hired between July 1, 2007 &amp; June 30, 2013</li> <li>• Members hired on or after July 1, 2013 <ul style="list-style-type: none"> <li>◦ For each year PERS is funded at or above 90% <ul style="list-style-type: none"> <li>◆ The 1.5% is reduced by 0.1% for each 2.0% PERS is funded below 90%</li> </ul> </li> <li>◦ 0% whenever the amortization period for PERS is 40 years or more</li> </ul> </li> </ul> </li> </ul> | <p>3.0%</p> <p>1.5%</p> <p>1.5%</p> <p>0%</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p>Mortality:</p> <ul style="list-style-type: none"> <li>• Active Participants</li> <li>• Disabled Retirees</li> <li>• Contingent Survivors</li> <li>• Healthy Retirees</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>PUB-2010 General Amount Weighted Employer Mortality projected to 2021 for males and females. Projected generationally using MP-2021.</p> <p>PUB-2010 General Amount Weighted Disabled Retiree Mortality table, projected to 2021, set forward one year for both males and females.</p> <p>PUB-2010 General Amount Weighted Contingent Survivor Mortality projected to 2021 with ages set forward one year for males and females. Projected generationally using MP-2021.</p> <p>PUB-2010 General Amount Weighted Healthy Retiree Mortality table projected to 2021, with ages set forward one year and adjusted 104% for males and 103% for females. Projected generationally using MP-2021</p> |

The actuarial assumptions and methods utilized in the June 30, 2022 valuation were developed in the five-year experience study for the period ending 2021.

*Discount Rate*

The discount rate used to measure the TPL was 7.30%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 0.10% of the salaries paid by local governments and 0.37% paid by school districts. In addition, the state contributed a statutory appropriation from the general fund.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (Continued)**

Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2126. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

*Target Allocations*

The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2022, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class as of the most recent experience study, are summarized in the following table.

| Asset Class           | Target Asset<br>Allocation | Long-Term<br>Expected Real Rate<br>of Return Arithmetic |
|-----------------------|----------------------------|---------------------------------------------------------|
| Cash                  | 3.0 %                      | (0.33)%                                                 |
| Domestic equity       | 30.0 %                     | 5.90 %                                                  |
| International equity  | 17.0 %                     | 7.14 %                                                  |
| Private investments   | 15.0 %                     | 9.13 %                                                  |
| Real Assets           | 5.0 %                      | 4.03 %                                                  |
| Real Estate           | 9.00 %                     | 5.41 %                                                  |
| Core fixed income     | 15.0 %                     | 1.14 %                                                  |
| Non-core fixed income | 6.0 %                      | 3.02 %                                                  |

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the employer's sensitivity of the NPL to the discount rate in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.30%, as well as what the NPL would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

|                                                        | 1.0% Decrease<br>(6.30%) | Current Discount<br>Rate | 1.0% Increase<br>(8.30%) |
|--------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| PERS Employer's proportion of<br>Net Pension Liability | \$ 46,494                | \$ 32,253                | \$ 20,305                |

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. RETIREMENT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**PERS Disclosure for the Defined Contribution Plan**

The District contributed to the state of Montana Public Employee Retirement System Defined Contribution Retirement Plan (PERS- DCRP) for employees that have elected the DCRP. The PERS-DCRP is administered by the PERB and is reported as a multiple- employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, MCA.

All new PERS members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans.

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The State Legislature has the authority to establish and amend contribution rates.

Benefits are dependent upon eligibility and individual account balances. Participants are vested immediately in their own contributions and attributable income. Participants are vested after 5 years of membership service for the employer's contributions to individual accounts and the attributable income. Nonvested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the PERS-DCRP.

Pension plan fiduciary net position: The stand-alone financial statements (76d) of the Montana Public Employees Retirement Board (PERB) *Annual Comprehensive Financial Report* (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or both are available on the MPERA website at <http://mpera.mt.gov/about/annualreports1/annualreports>.

**7. RETIREMENT PLANS - PENSION AMOUNTS**

|                                | Employer's proportionate share |           |            |
|--------------------------------|--------------------------------|-----------|------------|
|                                | FURS                           | PERS      | Total      |
| Net Pension Liability (NPL)    | \$ 278,010                     | \$ 32,253 | \$ 310,263 |
| Deferred outflows of resources | \$ 194,696                     | \$ 4,654  | \$ 199,350 |
| Deferred inflows of resources  | \$ 543                         | \$ 9,517  | \$ 10,060  |
| Pension expense                | \$ 193,466                     | \$ 12,779 | \$ 206,245 |

**8. RISK MANAGEMENT**

The District's risk management activities are recorded in the general fund. Significant losses for public officials, automobile, property and general liability are covered by commercial insurance policies. The District also participates in the State Unemployment and Workers' Compensation programs for losses due to employee life and health risk. There have been no significant reductions in insurance coverage.

**9. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 15, 2023, the date on which the financial statements were available to be issued.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**HYALITE RURAL FIRE DISTRICT**  
**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
**FOR THE LAST TEN FISCAL YEARS\***  
**Year Ended June 30, 2023**

| <u>Year ended<br/>June 30:</u>                 | <u>Employer's<br/>proportion of the<br/>net pension<br/>liability</u> | <u>Employer's<br/>proportionate<br/>share of the net<br/>pension liability<br/>associated with the<br/>employer</u> | <u>State of Montana's<br/>proportionate<br/>share of the net<br/>pension liability<br/>associated with the<br/>employer</u> | <u>Total</u> | <u>Employer's<br/>covered payroll **</u> | <u>Employer's<br/>proportionate<br/>share of the net<br/>pension liability as<br/>a percentage of its<br/>covered payroll</u> | <u>Plan fiduciary net<br/>position as a<br/>percentage of the<br/>total pension<br/>liability</u> |
|------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| <b>FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM</b> |                                                                       |                                                                                                                     |                                                                                                                             |              |                                          |                                                                                                                               |                                                                                                   |
| 2022                                           | 0.175000%                                                             | \$ 278,010                                                                                                          | \$ 628,985                                                                                                                  | \$ 906,995   | \$ 339,124                               | 81.979%                                                                                                                       | 78.760%                                                                                           |
| 2021                                           | 0.142800%                                                             | \$ 122,243                                                                                                          | \$ 277,452                                                                                                                  | \$ 399,695   | \$ 262,873                               | 46.503%                                                                                                                       | 87.720%                                                                                           |
| 2020                                           | 0.142500%                                                             | \$ 223,033                                                                                                          | \$ 502,791                                                                                                                  | \$ 725,824   | \$ 248,817                               | 89.637%                                                                                                                       | 75.370%                                                                                           |
| 2019                                           | 0.148900%                                                             | \$ 170,778                                                                                                          | \$ 413,027                                                                                                                  | \$ 583,805   | \$ 258,159                               | 66.152%                                                                                                                       | 80.080%                                                                                           |
| 2018                                           | 0.146000%                                                             | \$ 168,194                                                                                                          | \$ 384,585                                                                                                                  | \$ 552,779   | \$ 230,001                               | 73.128%                                                                                                                       | 79.030%                                                                                           |
| 2017                                           | 0.123500%                                                             | \$ 139,567                                                                                                          | \$ 316,941                                                                                                                  | \$ 456,508   | \$ 184,583                               | 75.612%                                                                                                                       | 77.770%                                                                                           |
| 2016                                           | 0.125200%                                                             | \$ 143,015                                                                                                          | \$ 324,027                                                                                                                  | \$ 467,042   | \$ 176,328                               | 81.107%                                                                                                                       | 75.480%                                                                                           |
| 2015                                           | 0.131210%                                                             | \$ 134,197                                                                                                          | \$ 298,893                                                                                                                  | \$ 433,090   | \$ 176,326                               | 76.107%                                                                                                                       | 76.900%                                                                                           |
| 2014                                           | 0.101100%                                                             | \$ 98,681                                                                                                           | \$ 222,621                                                                                                                  | \$ 321,302   | \$ 131,314                               | 75.149%                                                                                                                       | 76.710%                                                                                           |
| <b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>     |                                                                       |                                                                                                                     |                                                                                                                             |              |                                          |                                                                                                                               |                                                                                                   |
| 2022                                           | 0.001356%                                                             | \$ 32,253                                                                                                           | \$ 9,595                                                                                                                    | \$ 41,848    | \$ 23,837                                | 135.306%                                                                                                                      | 73.660%                                                                                           |
| 2021                                           | 0.001805%                                                             | \$ 32,723                                                                                                           | \$ 9,602                                                                                                                    | \$ 42,325    | \$ 31,878                                | 102.651%                                                                                                                      | 79.910%                                                                                           |
| 2020                                           | 0.001853%                                                             | \$ 48,880                                                                                                           | \$ 15,428                                                                                                                   | \$ 64,308    | \$ 31,086                                | 157.241%                                                                                                                      | 68.900%                                                                                           |
| 2019                                           | 0.000000%                                                             | \$ -                                                                                                                | \$ -                                                                                                                        | \$ -         | \$ -                                     | 0.000%                                                                                                                        | 73.850%                                                                                           |
| 2018                                           | 0.000000%                                                             | \$ -                                                                                                                | \$ -                                                                                                                        | \$ -         | \$ 9,770                                 | 0.000%                                                                                                                        | 73.470%                                                                                           |
| 2017                                           | 0.000000%                                                             | \$ -                                                                                                                | \$ -                                                                                                                        | \$ -         | \$ 38,930                                | 0.000%                                                                                                                        | 73.750%                                                                                           |
| 2016                                           | 0.001171%                                                             | \$ 19,947                                                                                                           | \$ 244                                                                                                                      | \$ 20,191    | \$ 14,027                                | 142.204%                                                                                                                      | 74.710%                                                                                           |
| 2015                                           | 0.002495%                                                             | \$ 34,880                                                                                                           | \$ 429                                                                                                                      | \$ 35,309    | \$ 29,120                                | 119.780%                                                                                                                      | 78.400%                                                                                           |
| 2014                                           | 0.000000%                                                             | \$ -                                                                                                                | \$ -                                                                                                                        | \$ -         | \$ -                                     | 111.220%                                                                                                                      | 79.870%                                                                                           |

\*The amounts presented above for each fiscal year were determined as of June 30th, the measurement date. The Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

\*\*All employer adjustments made in the current fiscal year that are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report but the actuary calculates the employers proportionate share.

**HYALITE RURAL FIRE DISTRICT  
SCHEDULE OF CONTRIBUTIONS  
FOR THE LAST TEN FISCAL YEARS\*  
Year Ended June 30, 2023**

| Year ended June 30:                            | Contractually required contributions | Contributions in relation to the contractually required contributions | Contribution deficiency (excess) | Employer's covered payroll ** | Contributions as a % of covered payroll |
|------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------|----------------------------------|-------------------------------|-----------------------------------------|
| <b>FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM</b> |                                      |                                                                       |                                  |                               |                                         |
| 2023                                           | \$ 55,286                            | \$ 55,286                                                             | \$ -                             | \$ 385,003                    | 14.360%                                 |
| 2022                                           | \$ 48,698                            | \$ 48,698                                                             | \$ -                             | \$ 339,124                    | 14.360%                                 |
| 2021                                           | \$ 37,606                            | \$ 37,606                                                             | \$ -                             | \$ 262,873                    | 14.306%                                 |
| 2020                                           | \$ 36,624                            | \$ 36,624                                                             | \$ -                             | \$ 248,817                    | 14.719%                                 |
| 2019                                           | \$ 35,577                            | \$ 35,577                                                             | \$ -                             | \$ 258,159                    | 13.781%                                 |
| 2018                                           | \$ 33,853                            | \$ 33,853                                                             | \$ -                             | \$ 230,001                    | 14.719%                                 |
| 2017                                           | \$ 26,506                            | \$ 26,506                                                             | \$ -                             | \$ 184,583                    | 14.360%                                 |
| 2016                                           | \$ 25,210                            | \$ 25,210                                                             | \$ -                             | \$ 176,328                    | 14.297%                                 |
| 2015                                           | \$ 25,813                            | \$ 25,813                                                             | \$ -                             | \$ 176,326                    | 14.639%                                 |

| Year ended June 30:                        | Contractually required contributions | Plan choice rate required contributions | Contributions in relation to the contractually required contributions | Contribution deficiency (excess) | Employer's covered payroll ** | Contributions as a % of covered payroll |
|--------------------------------------------|--------------------------------------|-----------------------------------------|-----------------------------------------------------------------------|----------------------------------|-------------------------------|-----------------------------------------|
| <b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b> |                                      |                                         |                                                                       |                                  |                               |                                         |
| 2023                                       | \$ 2,093                             | \$ -                                    | \$ 2,093                                                              | \$ -                             | \$ 23,338                     | 8.968%                                  |
| 2022                                       | \$ 2,114                             | \$ -                                    | \$ 2,114                                                              | \$ -                             | \$ 23,837                     | 8.869%                                  |
| 2021                                       | \$ 2,825                             | \$ -                                    | \$ 2,825                                                              | \$ -                             | \$ 31,878                     | 8.862%                                  |
| 2020                                       | \$ 2,724                             | \$ -                                    | \$ 2,724                                                              | \$ -                             | \$ 31,086                     | 8.763%                                  |
| 2019                                       | \$ -                                 | \$ -                                    | \$ -                                                                  | \$ -                             | \$ -                          | 0.000%                                  |
| 2018                                       | \$ -                                 | \$ -                                    | \$ -                                                                  | \$ -                             | \$ -                          | 0.000%                                  |
| 2017                                       | \$ -                                 | \$ -                                    | \$ -                                                                  | \$ -                             | \$ -                          | 0.000%                                  |
| 2016                                       | \$ 1,172                             | \$ 367                                  | \$ 1,540                                                              | \$ -                             | \$ 14,027                     | 10.980%                                 |
| 2015                                       | \$ 2,400                             | \$ 15                                   | \$ 2,414                                                              | \$ -                             | \$ 29,120                     | 8.290%                                  |

\*The amounts presented above for each fiscal year were determined as of June 30th, the measurement date. The Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

\*\*All employer adjustments made in the current fiscal year that are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report but the actuary calculates the employers proportionate share.

**HYALITE RURAL FIRE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET**  
**AND ACTUAL GENERAL FUND**  
**June 30, 2023**

|                                     | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance with<br/>Final Budget<br/>Over (Under)</b> |
|-------------------------------------|----------------------------|-------------------------|---------------------|--------------------------------------------------------|
| <b>REVENUES</b>                     |                            |                         |                     |                                                        |
| Property taxes                      | \$ 2,033,812               | \$ 2,033,812            | \$ 2,034,861        | \$ 1,049                                               |
| Intergovernmental                   | 165,838                    | 165,838                 | 167,454             | 1,616                                                  |
| Interest                            | 30,000                     | 30,000                  | 56,289              | 26,289                                                 |
| Contributions and donations         | 500                        | 500                     | 21,437              | 20,937                                                 |
| Miscellaneous                       | 4,000                      | 4,000                   | 33,824              | 29,824                                                 |
| Total revenues                      | <u>2,234,150</u>           | <u>2,234,150</u>        | <u>2,313,865</u>    | <u>79,715</u>                                          |
| <b>EXPENDITURES</b>                 |                            |                         |                     |                                                        |
| Current:                            |                            |                         |                     |                                                        |
| Public safety                       | 758,390                    | 758,390                 | 1,167,862           | 409,472                                                |
| Capital outlay                      | <u>1,064,249</u>           | <u>1,064,249</u>        | <u>382,045</u>      | <u>(682,204)</u>                                       |
| Total expenditures                  | <u>1,822,639</u>           | <u>1,822,639</u>        | <u>1,549,907</u>    | <u>(272,732)</u>                                       |
| <b>OTHER FINANCING USES</b>         |                            |                         |                     |                                                        |
| Transfers out                       | <u>(221,490)</u>           | <u>(221,490)</u>        | <u>(220,845)</u>    | <u>645</u>                                             |
| Net change in fund balance          | <u>\$ 190,021</u>          | <u>\$ 190,021</u>       | 543,113             | <u>\$ 353,092</u>                                      |
| Fund balance, beginning of the year |                            |                         | <u>2,816,158</u>    |                                                        |
| Fund balance, end of year           |                            |                         | <u>\$ 3,359,271</u> |                                                        |

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**Year Ended June 30, 2023**

**1. BUDGET COMPLIANCE**

In accordance with Section 7-33-2105, Montana Code Annotated, the District's Board annually presents its budget to the Board of County Commissioners at the regular budget meetings as prescribed by law and therewith certifies the amount of money necessary and proper for the ensuing year. Based on this statute, the total budget is the legal level of budgetary authority. State law requires only that a fund's total expenditures not exceed total budgeted expenditures. Budgets may be amended as defined by State law.

**2. BUDGET BASIS OF ACCOUNTING**

The budget is prepared on the same basis of accounting used in preparing the District's fund financial statements.

**3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

Total expenditures were not in excess of the total budgeted expenditures during the year ended June 30, 2023.

**4. CHANGES OF BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS AND METHODS - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)**

Changes in Benefit Terms

The following changes to the plan provision were made as identified:

*2017*

*Working Retiree Limitations*

Effective July 1, 2017, if a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

*Refunds*

1. Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
2. Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
3. Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

*Interest credited to member accounts*

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

*Lump-sum Payouts*

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**Year Ended June 30, 2023**

**4. CHANGES OF BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS AND METHODS - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (Continued)**

*Disabled PERS Defined Contribution (DC) Members*

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who become disable were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011 who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

Changes in Actuarial Assumptions and Methods

*Method and assumptions used in calculations of actuarially determined contributions*

The following actuarial assumptions were used to determine contribution rates reported for fiscal year ending June 30, 2022, which were based on the results of the June 30, 2021 actuarial valuation:

|                               |                                                                                                                                        |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| General Wage Growth*          | 3.50%                                                                                                                                  |
| Investment rate of return     | 7.30%                                                                                                                                  |
| *Includes inflation rate at   | 2.75%                                                                                                                                  |
| Merit salary increases        | 0% to 8.47%                                                                                                                            |
| Asset valuation method        | 4-year smoothed market                                                                                                                 |
| Actuarial cost method         | Entry age normal                                                                                                                       |
| Amortization method           | Level percentage of payroll, open                                                                                                      |
| Remaining amortization period | 30 years                                                                                                                               |
| Mortality (Healthy members)   | For males and females: RP 2000 combined employee and annuitant mortality table projected to 2020 using scale BB, males set back 1 year |
| Mortality (Disabled members)  | For males and females: RP 2000 combined mortality table, with no projections                                                           |
| Admin Expense as % of Payroll | 0.29%                                                                                                                                  |

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. The amount varies from year to year based on the prior year's actual administrative expenses.

The actuarial assumptions and methods utilized in the June 30, 2021 valuation, were developed in the five-year experience study for the period ending 2016.

**5. CHANGES OF BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS AND METHODS - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (FURS)**

Changes in Benefit Terms

The following changes to the plan provision were made as identified:

*2017*

*Working Retiree Limitations*

Applies to retirement system members who return on or after July 1, 2017 to covered employment in the system from which they retired.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**Year Ended June 30, 2023**

**5. CHANGES OF BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS AND METHODS - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (FURS) (Continued)**

- Members who return for less than 480 hours in a calendar year:
  - May not become an active member in the system; and
  - Are subject to a \$1 reduction in their retirement benefit for each \$3 earned in excess of \$5,000 in the calendar year.
- Members who return for 480 or more hours in a calendar year:
  - Must become an active member of the system;
  - Will stop receiving a retirement benefit from the system; and
  - Will be eligible for a second retirement benefit if they earn 5 or more years of service credit through their second employment
- Employee, employer and stat contributions, if any, apply as follows:
  - Employer contributions and state contributions (if any) must be paid on all working retirees;
  - Employee contributions must be paid on working retirees who return to covered employment for 480 or more hours in a calendar year.

*Second Retirement Benefit*

Applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired.

- If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
  - is not awarded service credit for the period of reemployment;
  - is refunded the accumulated contributions associated with the period of employment;
  - starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
  - does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following second retirement.
- If the member works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
  - is awarded service credit for the period of reemployment;
  - starting the first month following termination of service, receives:
    - ◆ The same retirement benefit previously paid to the member, and
    - ◆ A second retirement benefit for the period of reemployment calculated based on the laws in effect as of the member's rehire date; and
  - does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA:
    - ◆ On the initial retirement benefit starting in January immediately following second retirement, and
    - ◆ On the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- A member who returns to covered service is not eligible for a disability benefit.

**HYALITE RURAL FIRE DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**Year Ended June 30, 2023**

**5. CHANGES OF BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS AND METHODS - FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (FURS) (Continued)**

*Refunds*

- Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

*Interest Credit to Member Accounts*

- Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

*Lump-sum Payouts*

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

Changes in Actuarial Assumptions and Methods

*Method and assumptions used in calculations of actuarially determined contributions*

The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ending June 30, 2022, which were based on the results of the June 30, 2021 actuarial valuation:

|                               |                                                                                                                                        |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| General Wage Growth*          | 3.50%                                                                                                                                  |
| Investment rate of return     | 7.65%                                                                                                                                  |
| *Includes inflation rate at   | 2.75%                                                                                                                                  |
| Merit salary increases        | 0% to 6.30%                                                                                                                            |
| Asset valuation method        | 4-year smoothed market                                                                                                                 |
| Actuarial cost method         | Entry age normal                                                                                                                       |
| Amortization method           | Level percentage of payroll, open                                                                                                      |
| Remaining amortization period | 30 years                                                                                                                               |
| Mortality (Healthy members)   | For males and females: RP 2000 combined employee and annuitant mortality table projected to 2020 using scale BB, males set back 1 year |
| Mortality (Disabled members)  | For males and females: RP 2000 combined mortality table, with no projections                                                           |
| Admin Expense as % of Payroll | 0.13%                                                                                                                                  |

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. The amount varies from year to year based on the prior year's actual administrative expenses.

The actuarial assumptions and methods utilized in the June 30, 2021 valuation were developed in the five-year experience study for the period ending 2016.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**To the Board of Directors  
Hyalite Rural Fire District  
Bozeman, MT**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major funds of Hyalite Rural Fire District ("the District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 15, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Amicus CPA Group". The signature is written in a cursive, flowing style.

Bozeman, Montana

December 15, 2023

**HYALITE RURAL FIRE DISTRICT**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**June 30, 2023**

The results of our tests disclosed no instances of noncompliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, and no internal control deficiencies considered to be a material weakness as of June 30, 2023.

**HYALITE RURAL FIRE DISTRICT  
STATUS OF PRIOR YEAR FINDINGS  
June 30, 2023**

There were no compliance findings or internal control deficiencies reported for the year ended June 30, 2022.



December 15, 2023

To the Board of Trustees  
Hyalite Rural Fire District  
4541 S. 3<sup>rd</sup> Street  
Bozeman, MT 59718

We have audited the financial statements of the governmental activities and major funds of Hyalite Rural Fire District ("the District") for the year ended June 30, 2023. Professional standards require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated October 12, 2023, our responsibilities, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the District's internal control. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with such provisions was not an objective of our audit.

Significant Audit Matters

*Qualitative Aspects of Accounting Practice*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. As described in Note 1, the District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, in 2023. The accounting change has been applied through a modified retrospective transition and presented as of July 1, 2022. The application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were capital assets' useful lives, potential impairments, and depreciation. These are all estimates made by management. We evaluated the key factors and assumptions used to develop these estimates in determining that the balances are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the summary of significant accounting policies in Note 1 and capital assets in Note 3.



The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 15, 2023.

*Management Consultations with Other Independent Accountant*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, schedule of proportionate share of net pension liability, schedule of contributions and budgetary comparison information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund financial statements and budget and actual schedules – nonmajor funds, which accompany the basic financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements.

We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section and the statistical section, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of management and the Board of Trustees of the Hyalite Rural Fire District and the Montana Department of Administration and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,



Bozeman, Montana

Attachment

DRAFT

**Hyalite Rural Fire District**

Year End: June 30, 2023

Adjusting journal entries

Date: 7/1/2022 To 6/30/2023

| Prepared by      | Reviewed by | Reviewed by |
|------------------|-------------|-------------|
| MS<br>12/11/2023 |             |             |

AJE

| Number                                                                            | Date      | Name                                 | Account No | Reference | Debit            | Credit           | Net Income (Loss) | Amount Chg      |
|-----------------------------------------------------------------------------------|-----------|--------------------------------------|------------|-----------|------------------|------------------|-------------------|-----------------|
| Net Income (Loss) Before Adjustments                                              |           |                                      |            |           |                  |                  | 539,360.12        |                 |
| AJE-01                                                                            | 6/30/2023 | Unrestricted Fund Balance            | 241000 GF  | W-1       | 3,108.00         |                  |                   |                 |
| AJE-01                                                                            | 6/30/2023 | Miscellaneous Revenues:Other Miscr   | 362015 GF  | W-1       |                  | 3,108.00         |                   |                 |
| To adjust opening equity balances<br>to agree to prior year audit ending balances |           |                                      |            |           | 3,108.00         | 3,108.00         | 542,468.12        | 3,108.00        |
| AJE-03                                                                            | 6/30/2023 | Facilities:Building & Site           | 420423 GF  | J-4       |                  | 5,088.00         |                   |                 |
| AJE-03                                                                            | 6/30/2023 | Facilities:Building & Site           | 420423 GF  | J-4       |                  | 10,688.00        |                   |                 |
| AJE-03                                                                            | 6/30/2023 | Capital outlay:Capital outlay - oper | 420971 GF  | J-4       | 15,776.00        |                  |                   |                 |
| To capitalize items                                                               |           |                                      |            |           | 15,776.00        | 15,776.00        | 542,468.12        | 0.00            |
|                                                                                   |           |                                      |            |           | <b>18,884.00</b> | <b>18,884.00</b> | <b>542,468.12</b> | <b>3,108.00</b> |

**Hyalite Rural Fire District**

Year End: June 30, 2023

Reclassifying journal entries

Date: 7/1/2022 To 6/30/2023

| Prepared by      | Reviewed by | Reviewed by |
|------------------|-------------|-------------|
| MS<br>12/11/2023 |             |             |

**RJE**

| Number | Date      | Name                                                                        | Account No        | Reference | Debit               | Credit              |
|--------|-----------|-----------------------------------------------------------------------------|-------------------|-----------|---------------------|---------------------|
| EW-13  | 6/30/2023 | 2021 GO Bonds - current portion                                             | 223103 DSF        | P-1       |                     | 215,000.00          |
| EW-13  | 6/30/2023 | 2021 Go Bonds - current portion offset                                      | 223104 DSF        | P-1       | 215,000.00          |                     |
|        |           | To report current portion of bonds payable for financial statement purposes |                   |           |                     |                     |
| RJE-01 | 6/30/2023 | Unrestricted Fund Balance                                                   | 241000 GF         | W-2       |                     | 1,201,103.00        |
| RJE-01 | 6/30/2023 | General fixed asset acct group                                              | 241001 GF         | W-2       | 1,201,103.00        |                     |
|        |           | To reclassify net position for net investment in capital assets             |                   |           |                     |                     |
|        |           |                                                                             |                   |           | <b>1,416,103.00</b> | <b>1,416,103.00</b> |
|        |           | <b>Net Income (Loss)</b>                                                    | <b>631,862.12</b> |           |                     |                     |

**Hyalite Rural Fire District**

Year End: June 30, 2023

Eliminating Entries (GASB 34 Entries)

Date: 7/1/2022 To 6/30/2023

| Prepared by      | Reviewed by | Reviewed by |
|------------------|-------------|-------------|
| MS<br>12/11/2023 |             |             |

**EJE**

| Number | Date      | Name                                                                                                  | Account No | Reference | Annotation | Debit        | Credit       |
|--------|-----------|-------------------------------------------------------------------------------------------------------|------------|-----------|------------|--------------|--------------|
| EW-01  | 6/30/2023 | Deferred inflows - prop taxes                                                                         | 205000 GF  | CTB       |            | 21,837.00    |              |
| EW-01  | 6/30/2023 | Unrestricted Fund Balance                                                                             | 241000 GF  | CTB       |            |              | 14,697.00    |
| EW-01  | 6/30/2023 | Taxes:General Property Taxes:Property tax reve                                                        | 311040 GF  | CTB       |            |              | 7,140.00     |
|        |           | To adjust property taxes for entity wide statements                                                   |            |           |            |              |              |
| EW-02  | 6/30/2023 | Capital Assets:Land                                                                                   | 181000 GF  | CTB       |            | 361,201.00   |              |
| EW-02  | 6/30/2023 | Capital Assets:Buildings & Improvements                                                               | 182000 GF  | CTB       |            | 4,115,010.00 |              |
| EW-02  | 6/30/2023 | Capital Assets:Machinery & Equipment                                                                  | 186000 GF  | CTB       |            | 3,471,339.00 |              |
| EW-02  | 6/30/2023 | Capital Assets:Accumulated Depreciation                                                               | 186100 GF  | CTB       |            |              | 3,596,421.00 |
| EW-02  | 6/30/2023 | General fixed asset acct group                                                                        | 241001 GF  | CTB       |            |              | 4,351,129.00 |
|        |           | To record beginning balances of capital assets for entity wide statements                             |            |           |            |              |              |
| EW-03  | 6/30/2023 | Capital Assets:Buildings & Improvements                                                               | 182000 GF  | CTB       |            | 5,100.00     |              |
| EW-03  | 6/30/2023 | Capital Assets:Machinery & Equipment                                                                  | 186000 GF  | CTB       |            | 361,169.00   |              |
| EW-03  | 6/30/2023 | Capital outlay:Capital outlay - operations                                                            | 420971 GF  | CTB       |            |              | 366,269.00   |
|        |           | To record current year capital asset additions for entity wide statements                             |            |           |            |              |              |
| EW-04  | 6/30/2023 | Capital Assets:Machinery & Equipment                                                                  | 186000 GF  | CTB       |            |              |              |
| EW-04  | 6/30/2023 | Capital Assets:Accumulated Depreciation                                                               | 186100 GF  | CTB       |            |              |              |
|        |           | To record capital assets disposals for entity wide statements                                         |            |           |            |              |              |
| EW-05  | 6/30/2023 | Capital Assets:Accumulated Depreciation                                                               | 186100 GF  | CTB       |            |              | 459,685.00   |
| EW-05  | 6/30/2023 | General fixed asset acct group                                                                        | 241001 GF  | CTB       |            |              | 20,843.00    |
| EW-05  | 6/30/2023 | Depreciation Expense                                                                                  | 900006 GF  | CTB       |            | 480,528.00   |              |
|        |           | To record current year depreciation for entity wide statements                                        |            |           |            |              |              |
| EW-06  | 6/30/2023 | 2021 GO Bonds (2013 Re-Funding)                                                                       | 223102 DSF | CTB       |            |              | 1,295,000.00 |
| EW-06  | 6/30/2023 | General LT debt account group                                                                         | 241002 DSF | CTB       |            | 1,301,290.00 |              |
| EW-06  | 6/30/2023 | Bond Premium Liability                                                                                | 260000 DSF | CTB       |            |              | 6,290.00     |
|        |           | To record beginning balances of long term debt for entity wide statements                             |            |           |            |              |              |
| EW-07  | 6/30/2023 | Accrued Vacation/Sick                                                                                 | 206110 GF  | CTB       |            |              | 37,271.00    |
| EW-07  | 6/30/2023 | General LT debt account group                                                                         | 241002 GF  | CTB       |            | 37,271.00    |              |
|        |           | To record beginning balances of compensated absences for entity wide statements                       |            |           |            |              |              |
| EW-08  | 6/30/2023 | Net Pension Liability                                                                                 | 200100 GF  | CTB       |            |              | 154,966.00   |
| EW-08  | 6/30/2023 | Deferred Outflows of Resources                                                                        | 200200 GF  | CTB       |            | 150,589.00   |              |
| EW-08  | 6/30/2023 | Deferred Inflows-Pension                                                                              | 200300 GF  | CTB       |            |              | 97,786.00    |
| EW-08  | 6/30/2023 | General LT debt account group                                                                         | 241002 GF  | CTB       |            | 102,163.00   |              |
|        |           | To record beginning balances of net pension liability and related accounts for entity wide statements |            |           |            |              |              |
| EW-09  | 6/30/2023 | 2021 GO Bonds (2013 Re-Funding)                                                                       | 223102 DSF | CTB       |            | 215,000.00   |              |
| EW-09  | 6/30/2023 | Debt Service                                                                                          | 490100 DSF | CTB       |            |              | 215,000.00   |
|        |           | To adjust debt payments for entity wide statements                                                    |            |           |            |              |              |

**Hyalite Rural Fire District**  
**Year End: June 30, 2023**  
**Eliminating Entries (GASB 34 Entries)**  
**Date: 7/1/2022 To 6/30/2023**

| Prepared by      | Reviewed by | Reviewed by |
|------------------|-------------|-------------|
| MS<br>12/11/2023 |             |             |

**EJE-1**

| Number                   | Date      | Name                                                                                                    | Account No        | Reference | Annotation | Debit                | Credit               |
|--------------------------|-----------|---------------------------------------------------------------------------------------------------------|-------------------|-----------|------------|----------------------|----------------------|
| EW-10                    | 6/30/2023 | Bond Premium Liability                                                                                  | 260000 DSF        | CTB       |            | 1,043.00             |                      |
| EW-10                    | 6/30/2023 | Debt Service:Interest GO 2013 bond issue                                                                | 490103 DSF        | CTB       |            |                      | 1,043.00             |
|                          |           | To record bond amortization for entity wide statements                                                  |                   |           |            |                      |                      |
| EW-11                    | 6/30/2023 | Net Pension Liability                                                                                   | 200100 GF         | CTB       |            |                      | 155,297.00           |
| EW-11                    | 6/30/2023 | Deferred Outflows of Resources                                                                          | 200200 GF         | CTB       |            | 48,761.00            |                      |
| EW-11                    | 6/30/2023 | Deferred Inflows-Pension                                                                                | 200300 GF         | CTB       |            | 87,726.00            |                      |
| EW-11                    | 6/30/2023 | On-behalf payment from State                                                                            | 315000 GF         | CTB       |            |                      | 3,568.00             |
| EW-11                    | 6/30/2023 | Personnel Services:On-Behalf FURS/PERS Exp                                                              | 420025 GF         | CTB       |            | 22,378.00            |                      |
|                          |           | To record current year changes in net pension liability and related accounts for entity wide statements |                   |           |            |                      |                      |
| EW-12                    | 6/30/2023 | Accrued Vacation/Sick                                                                                   | 206110 GF         | CTB       |            |                      | 9,901.00             |
| EW-12                    | 6/30/2023 | Personnel Services: Salaries and Wages: Adj                                                             | 420198 GF         | CTB       |            | 9,901.00             |                      |
|                          |           | To record current year changes in compensated absences for entity wide statements                       |                   |           |            |                      |                      |
| AJE-02                   | 6/30/2023 | Capital Assets:Accumulated Depreciation                                                                 | 186100 GF         | W-1       |            |                      | 27,437.00            |
| AJE-02                   | 6/30/2023 | General fixed asset acct group                                                                          | 241001 GF         | W-1       |            | 23,951.00            |                      |
| AJE-02                   | 6/30/2023 | General fixed asset acct group                                                                          | 241001 GF         | W-1       |            |                      | 3,108.00             |
| AJE-02                   | 6/30/2023 | Depreciation Expense                                                                                    | 900006 GF         | W-1       |            | 6,594.00             |                      |
|                          |           | To adjust accum depr adj/roll and current year fixed assets to agree to depr sch                        |                   |           |            |                      |                      |
| AJE-03-E\                | 6/30/2023 | Capital Assets:Buildings & Improvements                                                                 | 182000 GF         | J-4       |            | 15,775.00            |                      |
| AJE-03-E\                | 6/30/2023 | Capital outlay:Capital outlay - operations                                                              | 420971 GF         | J-4       |            |                      | 15,775.00            |
|                          |           | To adjust entity wide entry for capital asset additions                                                 |                   |           |            |                      |                      |
|                          |           |                                                                                                         |                   |           |            | <b>10,838,626.00</b> | <b>10,838,626.00</b> |
| <b>Net Income (Loss)</b> |           |                                                                                                         | <b>631,862.12</b> |           |            |                      |                      |



## Hyalite Rural Fire District

4541 S. 3<sup>rd</sup> Rd.

Bozeman, MT 59715

Phone: (406)-586-3770

Web: [www.HyaliteFire.org](http://www.HyaliteFire.org)

January 16, 2023

Amatics CPA Group  
45 Discovery Drive  
Bozeman, MT 59718

This representation letter is provided in connection with your audit of the financial statements of Hyalite Rural Fire District, which comprise the respective financial position of the governmental activities and major funds as of June 30, 2023, and the respective changes in financial position, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 15, 2023, the following representations made to you during your audit.

### Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 12, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

**Information Provided**

11) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
- b) Additional information that you have requested from us for the purpose of the audit.
- c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
- d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

14) We have no knowledge of any fraud or suspected fraud that affects the District and involves—

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.

16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements except as made known to you related to potential longevity pay adjustments.

17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

18) We have disclosed to you the names of the District's related parties and all the related party relationships and transactions, including any side agreements.

**Government-specific**

19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

20) We have taken timely and appropriate steps to remedy fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.

21) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

22) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

25) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

26) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

27) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

28) In regard to the financial statement preparation services performed by you we have –

a) Assumed all management responsibilities.

b) Designated individuals who have suitable skill, knowledge, or experience to oversee the services.

c) Evaluated the adequacy and results of the services performed.

- d) Accepted responsibility for the results of the services.
  - e) Ensured that the entity's data and records are complete and received sufficient information to oversee the services.
- 29) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 32) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
- 33) The financial statements properly classify all funds and activities in accordance with GASBS Nos. 34, as amended.
- 34) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 36) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 39) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 40) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 41) Special and extraordinary items are appropriately classified and reported.
- 42) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 43) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.

44) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

45) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

46) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

**HYALITE RURAL FIRE DISTRICT**

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Brian Nickolay, Fire Chief

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Sheryl Wyman, Administrative Assistant

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Walt Zidack, Treasurer

# Hyalite Rural Fire District

Year End: June 30, 2023

Trial Balance

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-1

| Account                                                   | Prelim              | Adj's       | Elim                | Cons                | Cons 06/22          | Amount Chg          | %Chg        |
|-----------------------------------------------------------|---------------------|-------------|---------------------|---------------------|---------------------|---------------------|-------------|
| <b>1000 Cash</b>                                          | <b>3,560,715.99</b> | <b>0.00</b> | <b>0.00</b>         | <b>3,560,715.99</b> | <b>3,054,785.75</b> | <b>505,930.24</b>   | <b>17</b>   |
| 4001 GF Cash/Investments:Reserved funds:Capital improv    | 350,000.00          | 0.00        | 0.00                | 350,000.00          | 313,422.62          | 36,577.38           | 12          |
| 4004 GF Cash/Investments:Reserved funds:Capital replac    | 761,848.66          | 0.00        | 0.00                | 761,848.66          | 946,759.41          | (184,910.75)        | (20)        |
| 4005 GF Cash/Investments:Reserved funds:Capital replac    | 344,900.00          | 0.00        | 0.00                | 344,900.00          | 157,314.60          | 187,585.40          | 119         |
| 101000 GF Cash/Investments:General Fund                   | 1,883,122.33        | 0.00        | 0.00                | 1,883,122.33        | 1,415,799.12        | 467,323.21          | 33          |
| 104003 DSF Cash/Investments:Debt service fund             | 220,845.00          | 0.00        | 0.00                | 220,845.00          | 221,490.00          | (645.00)            | 0           |
| Governmental Activities                                   | 3,560,715.99        | 0.00        | 0.00                | 3,560,715.99        | 3,054,785.75        | 505,930.24          | 17          |
| <b>1100 Receivables - property taxes</b>                  | <b>61,749.78</b>    | <b>0.00</b> | <b>0.00</b>         | <b>61,749.78</b>    | <b>39,678.71</b>    | <b>22,071.07</b>    | <b>56</b>   |
| 114000 GF Taxes receivable - real estate                  | 40,601.14           | 0.00        | 0.00                | 40,601.14           | 23,410.16           | 17,190.98           | 73          |
| 114005 GF Taxes receivable - personal                     | 21,133.00           | 0.00        | 0.00                | 21,133.00           | 15,940.51           | 5,192.49            | 33          |
| 114010 GF Taxes receivable - protested                    | 15.64               | 0.00        | 0.00                | 15.64               | 328.04              | (312.40)            | (95)        |
| Governmental Activities                                   | 61,749.78           | 0.00        | 0.00                | 61,749.78           | 39,678.71           | 22,071.07           | 56          |
| <b>1150 Receivables - other</b>                           | <b>3,899.22</b>     | <b>0.00</b> | <b>0.00</b>         | <b>3,899.22</b>     | <b>4,879.62</b>     | <b>(980.40)</b>     | <b>(20)</b> |
| 110000 GF Accounts Receivable                             | 3,899.22            | 0.00        | 0.00                | 3,899.22            | 4,879.62            | (980.40)            | (20)        |
| Governmental Activities                                   | 3,899.22            | 0.00        | 0.00                | 3,899.22            | 4,879.62            | (980.40)            | (20)        |
| <b>1200 Prepaid expenses</b>                              | <b>24,368.50</b>    | <b>0.00</b> | <b>0.00</b>         | <b>24,368.50</b>    | <b>22,283.50</b>    | <b>2,085.00</b>     | <b>9</b>    |
| 120000 GF Prepaid insurance                               | 24,368.50           | 0.00        | 0.00                | 24,368.50           | 22,283.50           | 2,085.00            | 9           |
| Governmental Activities                                   | 24,368.50           | 0.00        | 0.00                | 24,368.50           | 22,283.50           | 2,085.00            | 9           |
| <b>1500 Capital assets, nondepreciable</b>                | <b>0.00</b>         | <b>0.00</b> | <b>361,201.00</b>   | <b>361,201.00</b>   | <b>361,201.00</b>   | <b>0.00</b>         | <b>0</b>    |
| 181000 GF Capital Assets:Land                             | 0.00                | 0.00        | 361,201.00          | 361,201.00          | 361,201.00          | 0.00                | 0           |
| Governmental Activities                                   | 0.00                | 0.00        | 361,201.00          | 361,201.00          | 361,201.00          | 0.00                | 0           |
| <b>1510 Capital assets, depreciable</b>                   | <b>0.00</b>         | <b>0.00</b> | <b>3,884,850.00</b> | <b>3,884,850.00</b> | <b>3,989,928.00</b> | <b>(105,078.00)</b> | <b>(3)</b>  |
| 182000 GF Capital Assets:Buildings & Improvements         | 0.00                | 0.00        | 4,135,885.00        | 4,135,885.00        | 4,115,009.00        | 20,876.00           | 1           |
| 186000 GF Capital Assets:Machinery & Equipment            | 0.00                | 0.00        | 3,832,508.00        | 3,832,508.00        | 3,471,340.00        | 361,168.00          | 10          |
| 186100 GF Capital Assets:Accumulated Depreciation         | 0.00                | 0.00        | (4,083,543.00)      | (4,083,543.00)      | (3,596,421.00)      | (487,122.00)        | 14          |
| Governmental Activities                                   | 0.00                | 0.00        | 3,884,850.00        | 3,884,850.00        | 3,989,928.00        | (105,078.00)        | (3)         |
| <b>1800 Deferred outflows of resources</b>                | <b>0.00</b>         | <b>0.00</b> | <b>199,350.00</b>   | <b>199,350.00</b>   | <b>150,589.00</b>   | <b>48,761.00</b>    | <b>32</b>   |
| 200200 GF Deferred Outflows of Resources                  | 0.00                | 0.00        | 199,350.00          | 199,350.00          | 150,589.00          | 48,761.00           | 32          |
| Governmental Activities                                   | 0.00                | 0.00        | 199,350.00          | 199,350.00          | 150,589.00          | 48,761.00           | 32          |
| <b>2000 Accounts payable</b>                              | <b>(8,927.55)</b>   | <b>0.00</b> | <b>0.00</b>         | <b>(8,927.55)</b>   | <b>(32,750.68)</b>  | <b>23,823.13</b>    | <b>(73)</b> |
| 202100 GF Accounts Payable                                | (3,763.32)          | 0.00        | 0.00                | (3,763.32)          | (29,175.73)         | 25,412.41           | (87)        |
| 210100 GF Conoco                                          | (317.70)            | 0.00        | 0.00                | (317.70)            | (677.68)            | 359.98              | (53)        |
| 210570 GF Costco Citi Card - Nickolay 7029                | (985.83)            | 0.00        | 0.00                | (985.83)            | (767.14)            | (218.69)            | 29          |
| 210580 GF Costco Citi Card - Prato 6073                   | (2,298.13)          | 0.00        | 0.00                | (2,298.13)          | (402.35)            | (1,895.78)          | 471         |
| 210585 GF Costco Citi Card - Malone 5334                  | (758.96)            | 0.00        | 0.00                | (758.96)            | (663.13)            | (95.83)             | 14          |
| 210590 GF Costco Citi Card - Dahlhauser 4822              | (327.67)            | 0.00        | 0.00                | (327.67)            | (729.14)            | 401.47              | (55)        |
| 210595 GF Costco Citi Card - Wyman 9122                   | (475.94)            | 0.00        | 0.00                | (475.94)            | (335.51)            | (140.43)            | 42          |
| Governmental Activities                                   | (8,927.55)          | 0.00        | 0.00                | (8,927.55)          | (32,750.68)         | 23,823.13           | (73)        |
| <b>2100 Accrued liabilities</b>                           | <b>(39,853.40)</b>  | <b>0.00</b> | <b>0.00</b>         | <b>(39,853.40)</b>  | <b>(36,532.65)</b>  | <b>(3,320.75)</b>   | <b>9</b>    |
| 220020 GF Payroll Liabilities:Health insurance - employee | 0.00                | 0.00        | 0.00                | 0.00                | 677.90              | (677.90)            | (100)       |

12/15/2023

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# Hyalite Rural Fire District

Year End: June 30, 2023

Trial Balance

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-1-1

| Account                                                     | Prelim                | Adj's                 | Elim                  | Cons                  | Cons 06/22            | Amount Chg          | %Chg         |
|-------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|--------------|
| 220025 GF Payroll Liabilities:Health insurance - employer   | 0.00                  | 0.00                  | 0.00                  | 0.00                  | 2,131.19              | (2,131.19)          | (100)        |
| 220050 GF Payroll Liabilities:Wages, taxes, and benefits    | (40,004.36)           | 0.00                  | 0.00                  | (40,004.36)           | (39,341.74)           | (662.62)            | 2            |
| 220075 GF Payroll Liabilities:Dental Insurance - employer   | 150.96                | 0.00                  | 0.00                  | 150.96                | 0.00                  | 150.96              | 0            |
| Governmental Activities                                     | (39,853.40)           | 0.00                  | 0.00                  | (39,853.40)           | (36,532.65)           | (3,320.75)          | 9            |
| <b>2400 Long term liabilities, due within one year</b>      | <b>0.00</b>           | <b>(215,000.00)</b>   | <b>(47,172.00)</b>    | <b>(262,172.00)</b>   | <b>(252,271.00)</b>   | <b>(9,901.00)</b>   | <b>4</b>     |
| 206110 GF Accrued Vacation/Sick                             | 0.00                  | 0.00                  | (47,172.00)           | (47,172.00)           | (37,271.00)           | (9,901.00)          | 27           |
| 223103 DSF 2021 GO Bonds - current portion                  | 0.00                  | (215,000.00)          | 0.00                  | (215,000.00)          | (215,000.00)          | 0.00                | 0            |
| Governmental Activities                                     | 0.00                  | (215,000.00)          | (47,172.00)           | (262,172.00)          | (252,271.00)          | (9,901.00)          | 4            |
| <b>2450 Long term liabilities, due after one year</b>       | <b>0.00</b>           | <b>215,000.00</b>     | <b>(1,390,263.00)</b> | <b>(1,175,263.00)</b> | <b>(1,234,966.00)</b> | <b>59,703.00</b>    | <b>(5)</b>   |
| 200100 GF Net Pension Liability                             | 0.00                  | 0.00                  | (310,263.00)          | (310,263.00)          | (154,966.00)          | (155,297.00)        | 100          |
| 223102 DSF 2021 GO Bonds (2013 Re-Funding)                  | 0.00                  | 0.00                  | (1,080,000.00)        | (1,080,000.00)        | (1,295,000.00)        | 215,000.00          | (17)         |
| 223104 DSF 2021 Go Bonds - current portion offset           | 0.00                  | 215,000.00            | 0.00                  | 215,000.00            | 215,000.00            | 0.00                | 0            |
| Governmental Activities                                     | 0.00                  | 215,000.00            | (1,390,263.00)        | (1,175,263.00)        | (1,234,966.00)        | 59,703.00           | (5)          |
| <b>2600 Deferred inflows of resources - pension</b>         | <b>0.00</b>           | <b>0.00</b>           | <b>(10,060.00)</b>    | <b>(10,060.00)</b>    | <b>(97,786.00)</b>    | <b>87,726.00</b>    | <b>(90)</b>  |
| 200300 GF Deferred Inflows-Pension                          | 0.00                  | 0.00                  | (10,060.00)           | (10,060.00)           | (97,786.00)           | 87,726.00           | (90)         |
| Governmental Activities                                     | 0.00                  | 0.00                  | (10,060.00)           | (10,060.00)           | (97,786.00)           | 87,726.00           | (90)         |
| <b>2610 Def inflows - Bond Premium Liability</b>            | <b>0.00</b>           | <b>0.00</b>           | <b>(5,247.00)</b>     | <b>(5,247.00)</b>     | <b>(6,290.00)</b>     | <b>1,043.00</b>     | <b>(17)</b>  |
| 260000 DSF Bond Premium Liability                           | 0.00                  | 0.00                  | (5,247.00)            | (5,247.00)            | (6,290.00)            | 1,043.00            | (17)         |
| Governmental Activities                                     | 0.00                  | 0.00                  | (5,247.00)            | (5,247.00)            | (6,290.00)            | 1,043.00            | (17)         |
| <b>2620 Def inflows - prop taxes</b>                        | <b>(21,837.41)</b>    | <b>0.00</b>           | <b>21,837.00</b>      | <b>(0.41)</b>         | <b>0.45</b>           | <b>(0.86)</b>       | <b>(191)</b> |
| 205000 GF Deferred inflows - prop taxes                     | (21,837.41)           | 0.00                  | 21,837.00             | (0.41)                | 0.45                  | (0.86)              | (191)        |
| Governmental Activities                                     | (21,837.41)           | 0.00                  | 21,837.00             | (0.41)                | 0.45                  | (0.86)              | (191)        |
| <b>3000 Net position - net investment in capital assets</b> | <b>(1,456,748.66)</b> | <b>1,201,103.00</b>   | <b>(2,910,405.00)</b> | <b>(3,166,050.66)</b> | <b>(3,056,128.63)</b> | <b>(109,922.03)</b> | <b>4</b>     |
| 241001 GF General fixed asset acct group                    | 0.00                  | 1,201,103.00          | (4,351,129.00)        | (3,150,026.00)        | (4,388,372.00)        | 1,238,346.00        | (28)         |
| 241002 GF General LT debt account group                     | 0.00                  | 0.00                  | 139,434.00            | 139,434.00            | 133,989.00            | 5,445.00            | 4            |
| 241103 GF Reserved Fund Balance:Reserved for Capital F      | (350,000.00)          | 0.00                  | 0.00                  | (350,000.00)          | (313,422.62)          | (36,577.38)         | 12           |
| 241105 GF Reserved Fund Balance:Reserved for Capital F      | (761,848.66)          | 0.00                  | 0.00                  | (761,848.66)          | (946,759.41)          | 184,910.75          | (20)         |
| 241106 GF Reserved Fund Balance:Reserved for Capital F      | (344,900.00)          | 0.00                  | 0.00                  | (344,900.00)          | (157,314.60)          | (187,585.40)        | 119          |
| 241002 DSF General LT debt account group                    | 0.00                  | 0.00                  | 1,301,290.00          | 1,301,290.00          | 1,517,333.00          | (216,043.00)        | (14)         |
| 241001-GW GFAAG Genearl fixed asset account group           | 0.00                  | 0.00                  | 0.00                  | 0.00                  | 1,098,418.00          | (1,098,418.00)      | (100)        |
| Governmental Activities                                     | (1,456,748.66)        | 1,201,103.00          | (2,910,405.00)        | (3,166,050.66)        | (3,056,128.63)        | (109,922.03)        | 4            |
| <b>3100 Net position - restricted for debt service</b>      | <b>(221,490.00)</b>   | <b>0.00</b>           | <b>0.00</b>           | <b>(221,490.00)</b>   | <b>(222,027.50)</b>   | <b>537.50</b>       | <b>0</b>     |
| 241000 DSF Unrestricted Fund Balance                        | (645.00)              | 0.00                  | 0.00                  | (645.00)              | 0.00                  | (645.00)            | 0            |
| 241101 DSF Reserved Fund Balance:Restricted for Debt S      | (220,845.00)          | 0.00                  | 0.00                  | (220,845.00)          | (222,027.50)          | 1,182.50            | (1)          |
| Governmental Activities                                     | (221,490.00)          | 0.00                  | 0.00                  | (221,490.00)          | (222,027.50)          | 537.50              | 0            |
| <b>3200 Net position - unrestricted</b>                     | <b>(1,338,147.85)</b> | <b>(1,197,995.00)</b> | <b>(14,697.00)</b>    | <b>(2,550,839.85)</b> | <b>(2,217,686.06)</b> | <b>(333,153.79)</b> | <b>15</b>    |
| 241000-GW GA Unrestricted Fund Balance                      | 0.00                  | 0.00                  | 0.00                  | 0.00                  | (1,098,418.00)        | 1,098,418.00        | (100)        |
| 241000 GF Unrestricted Fund Balance                         | (1,330,642.37)        | (1,197,995.00)        | (14,697.00)           | (2,543,334.37)        | (1,111,190.26)        | (1,432,144.11)      | 129          |
| 241200 GF Assigned to vol firefighters                      | (7,505.48)            | 0.00                  | 0.00                  | (7,505.48)            | (8,077.80)            | 572.32              | (7)          |
| Governmental Activities                                     | (1,338,147.85)        | (1,197,995.00)        | (14,697.00)           | (2,550,839.85)        | (2,217,686.06)        | (333,153.79)        | 15           |

12/15/2023

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**Hyalite Rural Fire District**

Year End: June 30, 2023

Trial Balance

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-1-2

| Account                                                   | Prelim                | Adj's             | Elim              | Cons                  | Cons 06/22            | Amount Chg          | %Chg        |
|-----------------------------------------------------------|-----------------------|-------------------|-------------------|-----------------------|-----------------------|---------------------|-------------|
| <b>3300 Fund balance - nonspendable</b>                   | <b>(24,368.50)</b>    | <b>0.00</b>       | <b>0.00</b>       | <b>(24,368.50)</b>    | <b>(22,283.50)</b>    | <b>(2,085.00)</b>   | <b>9</b>    |
| 241003 GF Nonspendable Fund Balance                       | (24,368.50)           | 0.00              | 0.00              | (24,368.50)           | (22,283.50)           | (2,085.00)          | 9           |
| Governmental Activities                                   | (24,368.50)           | 0.00              | 0.00              | (24,368.50)           | (22,283.50)           | (2,085.00)          | 9           |
| <b>4000 Property taxes</b>                                | <b>(2,034,861.00)</b> | <b>0.00</b>       | <b>(7,140.00)</b> | <b>(2,042,001.00)</b> | <b>(1,715,450.14)</b> | <b>(326,550.86)</b> | <b>19</b>   |
| 311010 GF Taxes:General Property Taxes:Real Property T    | (2,003,047.63)        | 0.00              | 0.00              | (2,003,047.63)        | (1,688,908.97)        | (314,138.66)        | 19          |
| 311020 GF Taxes:General Property Taxes:Personal Prope     | (35,397.64)           | 0.00              | 0.00              | (35,397.64)           | (21,089.35)           | (14,308.29)         | 68          |
| 311040 GF Taxes:General Property Taxes:Property tax rev   | 7,140.86              | 0.00              | (7,140.00)        | 0.86                  | 0.02                  | 0.844200            |             |
| 312000 GF Taxes:General Property Taxes:Penalties and ir   | (3,556.59)            | 0.00              | 0.00              | (3,556.59)            | (5,451.84)            | 1,895.25            | (35)        |
| Governmental Activities                                   | (2,034,861.00)        | 0.00              | (7,140.00)        | (2,042,001.00)        | (1,715,450.14)        | (326,550.86)        | 19          |
| <b>4100 Intergovernmental revenues</b>                    | <b>(167,453.52)</b>   | <b>0.00</b>       | <b>(3,568.00)</b> | <b>(171,021.52)</b>   | <b>(109,421.49)</b>   | <b>(61,600.03)</b>  | <b>56</b>   |
| 315000 GF On-behalf payment from State                    | (126,131.00)          | 0.00              | (3,568.00)        | (129,699.00)          | (65,952.00)           | (63,747.00)         | 97          |
| 316000 GF Entitlement Share                               | (41,322.52)           | 0.00              | 0.00              | (41,322.52)           | (40,295.00)           | (1,027.52)          | 3           |
| 331510 GF State Grants:Revenue - State Grants             | 0.00                  | 0.00              | 0.00              | 0.00                  | (3,174.49)            | 3,174.49            | (100)       |
| Governmental Activities                                   | (167,453.52)          | 0.00              | (3,568.00)        | (171,021.52)          | (109,421.49)          | (61,600.03)         | 56          |
| <b>4200 Interest revenue</b>                              | <b>(56,289.18)</b>    | <b>0.00</b>       | <b>0.00</b>       | <b>(56,289.18)</b>    | <b>(11,952.01)</b>    | <b>(44,337.17)</b>  | <b>371</b>  |
| 371010 GF Investment Earnings:Interest on General Fund    | (56,289.18)           | 0.00              | 0.00              | (56,289.18)           | (11,952.01)           | (44,337.17)         | 371         |
| Governmental Activities                                   | (56,289.18)           | 0.00              | 0.00              | (56,289.18)           | (11,952.01)           | (44,337.17)         | 371         |
| <b>4300 Contributions and donations</b>                   | <b>(21,436.63)</b>    | <b>0.00</b>       | <b>0.00</b>       | <b>(21,436.63)</b>    | <b>(11,044.10)</b>    | <b>(10,392.53)</b>  | <b>94</b>   |
| 420105 GF Personnel Services:Personnel Wage & Benefit     | (21,436.63)           | 0.00              | 0.00              | (21,436.63)           | (11,044.10)           | (10,392.53)         | 94          |
| Governmental Activities                                   | (21,436.63)           | 0.00              | 0.00              | (21,436.63)           | (11,044.10)           | (10,392.53)         | 94          |
| <b>4400 Miscellaneous revenue</b>                         | <b>(30,716.78)</b>    | <b>(3,108.00)</b> | <b>0.00</b>       | <b>(33,824.78)</b>    | <b>(86,291.06)</b>    | <b>52,466.28</b>    | <b>(61)</b> |
| 320005 GF Firefighter fundraising event:Firefighter fundr | (3,694.00)            | 0.00              | 0.00              | (3,694.00)            | (4,867.00)            | 1,173.00            | (24)        |
| 320010 GF Firefighter fundraising event:Firefighter fundr | 4,674.93              | 0.00              | 0.00              | 4,674.93              | 4,458.39              | 216.54              | 5           |
| 362010 GF Miscellaneous Revenues:Other Miscellaneous      | (7,942.19)            | 0.00              | 0.00              | (7,942.19)            | (11,720.00)           | 3,777.81            | (32)        |
| 362011 GF Miscellaneous Revenues:Other Miscellaneous      | (6,703.49)            | 0.00              | 0.00              | (6,703.49)            | (7,668.81)            | 965.32              | (13)        |
| 362014 GF Miscellaneous Revenues:Other Miscellaneous      | (12,330.03)           | 0.00              | 0.00              | (12,330.03)           | (7,492.53)            | (4,837.50)          | 65          |
| 362015 GF Miscellaneous Revenues:Other Miscellaneous      | 0.00                  | (3,108.00)        | 0.00              | (3,108.00)            | (877.44)              | (2,230.56)          | 254         |
| 365010 GF Contributions and Donations:Private Gifts and I | (3,272.00)            | 0.00              | 0.00              | (3,272.00)            | (15,473.67)           | 12,201.67           | (79)        |
| 365020 GF Contributions and Donations:Private Grants      | 0.00                  | 0.00              | 0.00              | 0.00                  | (41,000.00)           | 41,000.00           | (100)       |
| 380000 GF Proceeds From Sale of Equipment                 | (1,450.00)            | 0.00              | 0.00              | (1,450.00)            | (1,650.00)            | 200.00              | (12)        |
| Governmental Activities                                   | (30,716.78)           | (3,108.00)        | 0.00              | (33,824.78)           | (86,291.06)           | 52,466.28           | (61)        |
| <b>5000 Personnel services</b>                            | <b>643,787.08</b>     | <b>0.00</b>       | <b>32,279.00</b>  | <b>676,066.08</b>     | <b>548,679.10</b>     | <b>127,386.98</b>   | <b>23</b>   |
| 420010 GF Personnel Services:Payroll Employer Taxes       | 7,021.77              | 0.00              | 0.00              | 7,021.77              | 6,619.96              | 401.81              | 6           |
| 420020 GF Personnel Services:Employer Paid FURS           | 55,499.02             | 0.00              | 0.00              | 55,499.02             | 50,865.56             | 4,633.46            | 9           |
| 420025 GF Personnel Services:On-Behalf FURS/PERS Ex       | 126,131.00            | 0.00              | 22,378.00         | 148,509.00            | 56,626.00             | 91,883.00           | 162         |
| 420030 GF Personnel Services:Employer Paid PERS           | 2,067.75              | 0.00              | 0.00              | 2,067.75              | 2,143.74              | (75.99)             | (4)         |
| 420101 GF Personnel Services:Health Insurance Benefits    | 27,845.10             | 0.00              | 0.00              | 27,845.10             | 24,482.63             | 3,362.47            | 14          |
| 420114 GF Personnel Services:Salaries and Wages:Admir     | 23,030.00             | 0.00              | 0.00              | 23,030.00             | 24,143.00             | (1,113.00)          | (5)         |
| 420116 GF Personnel Services:Salaries and Wages:Traini    | 84,511.95             | 0.00              | 0.00              | 84,511.95             | 70,456.50             | 14,055.45           | 20          |
| 420117 GF Personnel Services:Salaries and Wages:Asst F    | 102,721.69            | 0.00              | 0.00              | 102,721.69            | 92,766.58             | 9,955.11            | 11          |
| 420118 GF Personnel Services:Salaries and Wages:Fire C    | 131,075.57            | 0.00              | 0.00              | 131,075.57            | 124,714.13            | 6,361.44            | 5           |
| 420119 GF Personnel Services:Salaries and Wages:Maint     | 83,883.23             | 0.00              | 0.00              | 83,883.23             | 81,090.00             | 2,793.23            | 3           |

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10:25 AM

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**Hyalite Rural Fire District**

Year End: June 30, 2023

Trial Balance

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-1-3

| Account                                                   | Prelim            | Adj's              | Elim        | Cons              | Cons 06/22        | Amount Chg       | %Chg      |
|-----------------------------------------------------------|-------------------|--------------------|-------------|-------------------|-------------------|------------------|-----------|
| 420198 GF Personnel Services: Salaries and Wages: Adj     | 0.00              | 0.00               | 9,901.00    | 9,901.00          | 14,771.00         | (4,870.00)       | (33)      |
| Governmental Activities                                   | 643,787.08        | 0.00               | 32,279.00   | 676,066.08        | 548,679.10        | 127,386.98       | 23        |
| <b>5100 Materials and services</b>                        | <b>539,850.88</b> | <b>(15,776.00)</b> | <b>0.00</b> | <b>524,074.88</b> | <b>469,437.34</b> | <b>54,637.54</b> | <b>12</b> |
| 420201 GF Supplies:Office Supplies and Materials          | 4,610.40          | 0.00               | 0.00        | 4,610.40          | 3,984.80          | 625.60           | 16        |
| 420202 GF Supplies:Facility Supplies                      | 3,991.92          | 0.00               | 0.00        | 3,991.92          | 4,503.99          | (512.07)         | (11)      |
| 420203 GF Supplies:Medical Supplies                       | 7,956.17          | 0.00               | 0.00        | 7,956.17          | 11,638.59         | (3,682.42)       | (32)      |
| 420204 GF Supplies:Shop Supplies                          | 10,183.27         | 0.00               | 0.00        | 10,183.27         | 3,619.00          | 6,564.27         | 181       |
| 420205 GF Supplies:Operation Supplies                     | 10,204.11         | 0.00               | 0.00        | 10,204.11         | 9,272.49          | 931.62           | 10        |
| 420207 GF Small Items of Equipment                        | 7,668.70          | 0.00               | 0.00        | 7,668.70          | 0.00              | 7,668.70         | 0         |
| 420209 GF Supplies:Clothing & Uniforms                    | 10,706.55         | 0.00               | 0.00        | 10,706.55         | 7,435.41          | 3,271.14         | 44        |
| 420222 GF Meals/Incentives:Food                           | 13,997.21         | 0.00               | 0.00        | 13,997.21         | 5,010.84          | 8,986.37         | 179       |
| 420240 GF Fuel                                            | 45,541.62         | 0.00               | 0.00        | 45,541.62         | 37,499.40         | 8,042.22         | 21        |
| 420330 GF Community Outreach/Education                    | 4.59              | 0.00               | 0.00        | 4.59              | 0.00              | 4.59             | 0         |
| 420331 GF Professional Subscription/Dues:Dues & Licens    | 896.00            | 0.00               | 0.00        | 896.00            | 2,731.00          | (1,835.00)       | (67)      |
| 420332 GF Professional Subscription/Dues:Fire Protection  | 285.00            | 0.00               | 0.00        | 285.00            | 0.00              | 285.00           | 0         |
| 420333 GF Professional Subscription/Dues:Formal & Lega    | 553.00            | 0.00               | 0.00        | 553.00            | 851.00            | (298.00)         | (35)      |
| 420334 GF Professional Subscription/Dues:Memberships &    | 630.00            | 0.00               | 0.00        | 630.00            | 605.00            | 25.00            | 4         |
| 420335 GF Professional Subscription/Dues:Subscriptions    | 10,611.68         | 0.00               | 0.00        | 10,611.68         | 13,064.63         | (2,452.95)       | (19)      |
| 420336 GF Community Outreach/Education:Public Relation    | 5,792.23          | 0.00               | 0.00        | 5,792.23          | 6,391.16          | (598.93)         | (9)       |
| 420341 GF Utility Services:Gas & Electric                 | 29,421.54         | 0.00               | 0.00        | 29,421.54         | 25,928.19         | 3,493.35         | 13        |
| 420342 GF Utility Services:Phones                         | 10,796.19         | 0.00               | 0.00        | 10,796.19         | 12,484.89         | (1,688.70)       | (14)      |
| 420343 GF Utility Services:Website Fees                   | 312.17            | 0.00               | 0.00        | 312.17            | 99.00             | 213.17           | 215       |
| 420344 GF Utility Services:Phone Pager Subscriptions      | 720.00            | 0.00               | 0.00        | 720.00            | 0.00              | 720.00           | 0         |
| 420345 GF Utility Services:TV/Internet Services           | 5,688.25          | 0.00               | 0.00        | 5,688.25          | 5,175.34          | 512.91           | 10        |
| 420346 GF Utility Services:Water/Sewer                    | 1,591.92          | 0.00               | 0.00        | 1,591.92          | 4,885.95          | (3,294.03)       | (67)      |
| 420347 GF Utility Services:Trash                          | 4,843.20          | 0.00               | 0.00        | 4,843.20          | 3,100.71          | 1,742.49         | 56        |
| 420351 GF Professional Services:Accounting & Auditing     | 41,250.00         | 0.00               | 0.00        | 41,250.00         | 37,890.00         | 3,360.00         | 9         |
| 420353 GF Professional Services:Legal Services            | 979.50            | 0.00               | 0.00        | 979.50            | 50.00             | 929.50           | 1859      |
| 420354 GF Professional Services:Other Professional Servi  | 0.00              | 0.00               | 0.00        | 0.00              | 125.00            | (125.00)         | (100)     |
| 420355 GF Professional Services:Transport Billing Service | 392.52            | 0.00               | 0.00        | 392.52            | 0.00              | 392.52           | 0         |
| 420382 GF Public Safety Expenses:Personnel Training Se    | 4,422.97          | 0.00               | 0.00        | 4,422.97          | 6,950.00          | (2,527.03)       | (36)      |
| 420383 GF Public Safety Expenses:Personnel Training Se    | 0.00              | 0.00               | 0.00        | 0.00              | 200.64            | (200.64)         | (100)     |
| 420384 GF Public Safety Expenses:Personnel Training Se    | 101.50            | 0.00               | 0.00        | 101.50            | 95.00             | 6.50             | 7         |
| 420385 GF Public Safety Expenses:Personnel Training Se    | 4,080.38          | 0.00               | 0.00        | 4,080.38          | 5,968.24          | (1,887.86)       | (32)      |
| 420386 GF Public Safety Expenses:Personnel Training Se    | 141.55            | 0.00               | 0.00        | 141.55            | 192.16            | (50.61)          | (26)      |
| 420387 GF Public Safety Expenses:Personnel Training Se    | 4,439.42          | 0.00               | 0.00        | 4,439.42          | 3,950.17          | 489.25           | 12        |
| 420389 GF Public Safety Expenses:Personnel Training Se    | 19,492.58         | 0.00               | 0.00        | 19,492.58         | 17,373.14         | 2,119.44         | 12        |
| 420390 GF Firefighter Physicals                           | 17,769.00         | 0.00               | 0.00        | 17,769.00         | 21,538.00         | (3,769.00)       | (17)      |
| 420400 GF Training/Travel - Trustees                      | 404.36            | 0.00               | 0.00        | 404.36            | 325.52            | 78.84            | 24        |
| 420421 GF Facilities:Garbage                              | 311.53            | 0.00               | 0.00        | 311.53            | 317.15            | (5.62)           | (2)       |
| 420422 GF Facilities:Lawn/Snow Removal                    | 3,022.99          | 0.00               | 0.00        | 3,022.99          | 1,801.44          | 1,221.55         | 68        |
| 420423 GF Facilities:Building & Site                      | 43,459.39         | (15,776.00)        | 0.00        | 27,683.39         | 25,439.48         | 2,243.91         | 9         |
| 420510 GF Insurance:Liability Insurance                   | 46,835.00         | 0.00               | 0.00        | 46,835.00         | 41,618.00         | 5,217.00         | 13        |
| 420511 GF Insurance:Worker's Comp Insurance               | 20,114.54         | 0.00               | 0.00        | 20,114.54         | 13,977.94         | 6,136.60         | 44        |
| 420931 GF Safety Equipment:Safety Equipment               | 55,010.27         | 0.00               | 0.00        | 55,010.27         | 59,503.69         | (4,493.42)       | (8)       |
| 420932 GF Safety Equipment:Safety Equipment Maintenan     | 5,822.98          | 0.00               | 0.00        | 5,822.98          | 15,642.11         | (9,819.13)       | (63)      |
| 420940 GF Apparatus                                       | 0.00              | 0.00               | 0.00        | 0.00              | 1,162.93          | (1,162.93)       | (100)     |
| 420943 GF Apparatus:Command Vehicles                      | 0.00              | 0.00               | 0.00        | 0.00              | 3.76              | (3.76)           | (100)     |
| 420944 GF Apparatus:Support/Utility Apparatus             | 0.00              | 0.00               | 0.00        | 0.00              | 25.52             | (25.52)          | (100)     |
| 420946 GF Apparatus:Ambulance                             | 0.00              | 0.00               | 0.00        | 0.00              | 144.16            | (144.16)         | (100)     |
| 669100 GF Other Charges                                   | 494.59            | 0.00               | 0.00        | 494.59            | 0.00              | 494.59           | 0         |
| 420941.1 GF Apparatus:Engines:E-6-1                       | 4,910.74          | 0.00               | 0.00        | 4,910.74          | 5,617.96          | (707.22)         | (13)      |
| 420941.2 GF Apparatus:Engines:E-6-2                       | 8,758.88          | 0.00               | 0.00        | 8,758.88          | 6,532.68          | 2,226.20         | 34        |
| 420941.3 GF Apparatus:Engines:E-6-3                       | 6,929.76          | 0.00               | 0.00        | 6,929.76          | 6,056.61          | 873.15           | 14        |

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# Hyalite Rural Fire District

Year End: June 30, 2023

Trial Balance

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-1-4

| Account                                                  | Prelim            | Adj's            | Elim                | Cons              | Cons 06/22        | Amount            | Chg %Chg     |
|----------------------------------------------------------|-------------------|------------------|---------------------|-------------------|-------------------|-------------------|--------------|
| 420941.4 GF Apparatus:Engines:E-6                        | 6,473.79          | 0.00             | 0.00                | 6,473.79          | 6,535.99          | (62.20)           | (1)          |
| 420941.5 GF Apparatus:Engines:R-6                        | 0.00              | 0.00             | 0.00                | 0.00              | 1,641.69          | (1,641.69)        | (100)        |
| 420942.1 GF Apparatus:Water Tenders:WT 6-1               | 629.62            | 0.00             | 0.00                | 629.62            | 924.49            | (294.87)          | (32)         |
| 420942.2 GF Apparatus:Water Tenders:WT-6-2               | 600.64            | 0.00             | 0.00                | 600.64            | 149.32            | 451.32            | 302          |
| 420942.3 GF Apparatus:Water Tenders:WT-6                 | 9,330.14          | 0.00             | 0.00                | 9,330.14          | 1,384.47          | 7,945.67          | 574          |
| 420943.1 GF Apparatus:Command Vehicles:C-6-1 (NEW)       | 525.44            | 0.00             | 0.00                | 525.44            | 3,121.89          | (2,596.45)        | (83)         |
| 420943.2 GF Apparatus:Command Vehicles:C-6-2 (NEW)       | 1,075.34          | 0.00             | 0.00                | 1,075.34          | 2,697.49          | (1,622.15)        | (60)         |
| 420943.3 GF Apparatus:Command Vehicles:C-6-3 (OLD C      | 1,043.17          | 0.00             | 0.00                | 1,043.17          | 1,863.99          | (820.82)          | (44)         |
| 420943.4 GF Apparatus:Command Vehicles:C-6-4 (OLD C      | 2,493.60          | 0.00             | 0.00                | 2,493.60          | 1,198.62          | 1,294.98          | 108          |
| 420943.5 GF Apparatus:Command Vehicles:C-6               | 2,999.95          | 0.00             | 0.00                | 2,999.95          | 4,684.30          | (1,684.35)        | (36)         |
| 420943.6 GF Apparatus:Command Vehicles:C-6-5             | 11,969.47         | 0.00             | 0.00                | 11,969.47         | 0.00              | 11,969.47         | 0            |
| 420944.1 GF Apparatus:Support/Utility Apparatus:U-6-1    | 0.00              | 0.00             | 0.00                | 0.00              | 175.27            | (175.27)          | (100)        |
| 420944.2 GF Apparatus:Support/Utility Apparatus:U-6      | 3,300.51          | 0.00             | 0.00                | 3,300.51          | 201.62            | 3,098.89          | 1537         |
| 420944.3 GF Apparatus:Support/Utility Apparatus:S-6      | 3,960.40          | 0.00             | 0.00                | 3,960.40          | 1,720.10          | 2,240.30          | 130          |
| 420944.4 GF Apparatus:Support/Utility Apparatus:Plow tru | 2,305.77          | 0.00             | 0.00                | 2,305.77          | 1,213.95          | 1,091.82          | 90           |
| 420944.5 GF Apparatus:Support/Utility Apparatus:Plow 1   | 0.00              | 0.00             | 0.00                | 0.00              | 1,160.44          | (1,160.44)        | (100)        |
| 420944.6 GF Apparatus:Support/Utility Apparatus:U-6-2    | 79.41             | 0.00             | 0.00                | 79.41             | 5,981.67          | (5,902.26)        | (99)         |
| 420945.1 GF Apparatus:Brush:B-6                          | 314.25            | 0.00             | 0.00                | 314.25            | 0.00              | 314.25            | 0            |
| 420945.2 GF Apparatus:Brush:B-6-1                        | 1,454.29          | 0.00             | 0.00                | 1,454.29          | 0.00              | 1,454.29          | 0            |
| 420946.1 GF Apparatus:Ambulance:QRU-6                    | 931.48            | 0.00             | 0.00                | 931.48            | 2,104.57          | (1,173.09)        | (56)         |
| 420946.2 GF Apparatus:Ambulance:AMB 6-1 (In Reserve)     | 1,667.35          | 0.00             | 0.00                | 1,667.35          | 1,894.78          | (227.43)          | (12)         |
| 420946.3 GF Apparatus:Ambulance:AMB 6-2                  | 12,546.09         | 0.00             | 0.00                | 12,546.09         | 0.00              | 12,546.09         | 0            |
| Governmental Activities                                  | 539,850.88        | (15,776.00)      | 0.00                | 524,074.88        | 469,437.34        | 54,637.54         | 12           |
| <b>5200 Depreciation</b>                                 | <b>0.00</b>       | <b>0.00</b>      | <b>487,122.00</b>   | <b>487,122.00</b> | <b>465,434.00</b> | <b>21,688.00</b>  | <b>5</b>     |
| 900006 GF Depreciation Expense                           | 0.00              | 0.00             | 487,122.00          | 487,122.00        | 465,434.00        | 21,688.00         | 5            |
| Governmental Activities                                  | 0.00              | 0.00             | 487,122.00          | 487,122.00        | 465,434.00        | 21,688.00         | 5            |
| <b>5300 Debt service - principal</b>                     | <b>215,000.00</b> | <b>0.00</b>      | <b>(215,000.00)</b> | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       | <b>0</b>     |
| 490100 DSF Debt Service                                  | 215,000.00        | 0.00             | (215,000.00)        | 0.00              | 0.00              | 0.00              | 0            |
| Governmental Activities                                  | 215,000.00        | 0.00             | (215,000.00)        | 0.00              | 0.00              | 0.00              | 0            |
| <b>5350 Debt service - interest</b>                      | <b>6,490.00</b>   | <b>0.00</b>      | <b>(1,043.00)</b>   | <b>5,447.00</b>   | <b>5,984.50</b>   | <b>(537.50)</b>   | <b>(9)</b>   |
| 490103 DSF Debt Service:Interest GO 2013 bond issue      | 6,490.00          | 0.00             | (1,043.00)          | 5,447.00          | 5,984.50          | (537.50)          | (9)          |
| Governmental Activities                                  | 6,490.00          | 0.00             | (1,043.00)          | 5,447.00          | 5,984.50          | (537.50)          | (9)          |
| <b>5400 Capital outlay</b>                               | <b>366,269.03</b> | <b>15,776.00</b> | <b>(382,044.00)</b> | <b>1.03</b>       | <b>(0.15)</b>     | <b>1.18</b>       | <b>(787)</b> |
| 420970 GF Capital Outlay                                 | 0.00              | 0.00             | 0.00                | 0.00              | (0.15)            | 0.15              | (100)        |
| 420971 GF Capital outlay:Capital outlay - operations     | 366,269.03        | 15,776.00        | (382,044.00)        | 1.03              | 0.00              | 1.03              | 0            |
| Governmental Activities                                  | 366,269.03        | 15,776.00        | (382,044.00)        | 1.03              | (0.15)            | 1.18              | (787)        |
| <b>8000 Transfers In/Out</b>                             | <b>0.00</b>       | <b>0.00</b>      | <b>0.00</b>         | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       | <b>0</b>     |
| 332100 GF Transfer Out                                   | 220,845.00        | 0.00             | 0.00                | 220,845.00        | 221,490.00        | (645.00)          | 0            |
| 332000 DSF Transfer In                                   | (220,845.00)      | 0.00             | 0.00                | (220,845.00)      | (221,490.00)      | 645.00            | 0            |
| Governmental Activities                                  | 0.00              | 0.00             | 0.00                | 0.00              | 0.00              | 0.00              | 0            |
|                                                          | <b>0.00</b>       | <b>0.00</b>      | <b>0.00</b>         | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       | <b>0</b>     |
| <b>Net Income (Loss)</b>                                 | <b>539,360.12</b> |                  |                     | <b>631,862.12</b> | <b>444,624.01</b> | <b>187,238.11</b> | <b>42</b>    |

# Hyalite Rural Fire District: Governmental Funds

Year End: June 30, 2023

Trial Balance - Governmental Funds

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-2

| Account                                                      | Prelim              | Adj's       | Reclass             | Rep                 | Rep 06/22           | %Chg  |
|--------------------------------------------------------------|---------------------|-------------|---------------------|---------------------|---------------------|-------|
| <b>1000 Cash</b>                                             | <b>3,560,715.99</b> | <b>0.00</b> | <b>0.00</b>         | <b>3,560,715.99</b> | <b>3,054,785.75</b> | 17    |
| 4001 GF Cash/Investments:Reserved funds:Capital improvemen   | 350,000.00          | 0.00        | 0.00                | 350,000.00          | 313,422.62          | 12    |
| 4004 GF Cash/Investments:Reserved funds:Capital replacemen   | 761,848.66          | 0.00        | 0.00                | 761,848.66          | 946,759.41          | (20)  |
| 4005 GF Cash/Investments:Reserved funds:Capital replacemen   | 344,900.00          | 0.00        | 0.00                | 344,900.00          | 157,314.60          | 119   |
| 101000 GF Cash/Investments:General Fund                      | 1,883,122.33        | 0.00        | 0.00                | 1,883,122.33        | 1,415,799.12        | 33    |
| General Fund                                                 | 3,339,870.99        | 0.00        | 0.00                | 3,339,870.99        | 2,833,295.75        | 18    |
| 104003 DSF Cash/Investments:Debt service fund                | 220,845.00          | 0.00        | 0.00                | 220,845.00          | 221,490.00          | 0     |
| <b>1100 Receivables - property taxes</b>                     | <b>61,749.78</b>    | <b>0.00</b> | <b>0.00</b>         | <b>61,749.78</b>    | <b>39,678.71</b>    | 56    |
| 114000 GF Taxes receivable - real estate                     | 40,601.14           | 0.00        | 0.00                | 40,601.14           | 23,410.16           | 73    |
| 114005 GF Taxes receivable - personal                        | 21,133.00           | 0.00        | 0.00                | 21,133.00           | 15,940.51           | 33    |
| 114010 GF Taxes receivable - protested                       | 15.64               | 0.00        | 0.00                | 15.64               | 328.04              | (95)  |
| General Fund                                                 | 61,749.78           | 0.00        | 0.00                | 61,749.78           | 39,678.71           | 56    |
| <b>1150 Receivables - other</b>                              | <b>3,899.22</b>     | <b>0.00</b> | <b>0.00</b>         | <b>3,899.22</b>     | <b>4,879.62</b>     | (20)  |
| 110000 GF Accounts Receivable                                | 3,899.22            | 0.00        | 0.00                | 3,899.22            | 4,879.62            | (20)  |
| <b>1200 Prepaid expenses</b>                                 | <b>24,368.50</b>    | <b>0.00</b> | <b>0.00</b>         | <b>24,368.50</b>    | <b>22,283.50</b>    | 9     |
| 120000 GF Prepaid insurance                                  | 24,368.50           | 0.00        | 0.00                | 24,368.50           | 22,283.50           | 9     |
| <b>2000 Accounts payable</b>                                 | <b>(8,927.55)</b>   | <b>0.00</b> | <b>0.00</b>         | <b>(8,927.55)</b>   | <b>(32,750.68)</b>  | (73)  |
| 202100 GF Accounts Payable                                   | (3,763.32)          | 0.00        | 0.00                | (3,763.32)          | (29,175.73)         | (87)  |
| 210100 GF Conoco                                             | (317.70)            | 0.00        | 0.00                | (317.70)            | (677.68)            | (53)  |
| 210570 GF Costco Citi Card - Nickolay 7029                   | (985.83)            | 0.00        | 0.00                | (985.83)            | (767.14)            | 29    |
| 210580 GF Costco Citi Card - Prato 6073                      | (2,298.13)          | 0.00        | 0.00                | (2,298.13)          | (402.35)            | 471   |
| 210585 GF Costco Citi Card - Malone 5334                     | (758.96)            | 0.00        | 0.00                | (758.96)            | (663.13)            | 14    |
| 210590 GF Costco Citi Card - Dahlhauser 4822                 | (327.67)            | 0.00        | 0.00                | (327.67)            | (729.14)            | (55)  |
| 210595 GF Costco Citi Card - Wyman 9122                      | (475.94)            | 0.00        | 0.00                | (475.94)            | (335.51)            | 42    |
| General Fund                                                 | (8,927.55)          | 0.00        | 0.00                | (8,927.55)          | (32,750.68)         | (73)  |
| <b>2100 Accrued liabilities</b>                              | <b>(39,853.40)</b>  | <b>0.00</b> | <b>0.00</b>         | <b>(39,853.40)</b>  | <b>(36,532.65)</b>  | 9     |
| 220020 GF Payroll Liabilities:Health insurance - employee    | 0.00                | 0.00        | 0.00                | 0.00                | 677.90              | (100) |
| 220025 GF Payroll Liabilities:Health insurance - employer    | 0.00                | 0.00        | 0.00                | 0.00                | 2,131.19            | (100) |
| 220050 GF Payroll Liabilities:Wages, taxes, and benefits acc | (40,004.36)         | 0.00        | 0.00                | (40,004.36)         | (39,341.74)         | 2     |
| 220075 GF Payroll Liabilities:Dental Insurance - employer    | 150.96              | 0.00        | 0.00                | 150.96              | 0.00                | 0     |
| General Fund                                                 | (39,853.40)         | 0.00        | 0.00                | (39,853.40)         | (36,532.65)         | 9     |
| <b>2400 Long term liabilities, due within one year</b>       | <b>0.00</b>         | <b>0.00</b> | <b>(215,000.00)</b> | <b>(215,000.00)</b> | <b>(215,000.00)</b> | 0     |
| 223103 DSF 2021 GO Bonds - current portion                   | 0.00                | 0.00        | (215,000.00)        | (215,000.00)        | (215,000.00)        | 0     |
| <b>2450 Long term liabilities, due after one year</b>        | <b>0.00</b>         | <b>0.00</b> | <b>215,000.00</b>   | <b>215,000.00</b>   | <b>215,000.00</b>   | 0     |
| 223104 DSF 2021 Go Bonds - current portion offset            | 0.00                | 0.00        | 215,000.00          | 215,000.00          | 215,000.00          | 0     |
| <b>2620 Def inflows - prop taxes</b>                         | <b>(21,837.41)</b>  | <b>0.00</b> | <b>0.00</b>         | <b>(21,837.41)</b>  | <b>(14,696.55)</b>  | 49    |
| 205000 GF Deferred inflows - prop taxes                      | (21,837.41)         | 0.00        | 0.00                | (21,837.41)         | (14,696.55)         | 49    |

# Hyalite Rural Fire District: Governmental Funds

Year End: June 30, 2023

Trial Balance - Governmental Funds

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-2-1

| Account                                                      | Prelim                | Adj's             | Reclass               | Rep                   | Rep 06/22             | %Chg  |
|--------------------------------------------------------------|-----------------------|-------------------|-----------------------|-----------------------|-----------------------|-------|
| <b>3000 Net position - net investment in capital assets</b>  | <b>(1,456,748.66)</b> | <b>0.00</b>       | <b>1,201,103.00</b>   | <b>(255,645.66)</b>   | <b>(319,078.63)</b>   | (20)  |
| 241001 GF General fixed asset acct group                     | 0.00                  | 0.00              | 1,201,103.00          | 1,201,103.00          | 0.00                  | 0     |
| 241103 GF Reserved Fund Balance:Reserved for Capital Reserve | (350,000.00)          | 0.00              | 0.00                  | (350,000.00)          | (313,422.62)          | 12    |
| 241105 GF Reserved Fund Balance:Reserved for Capital Reserve | (761,848.66)          | 0.00              | 0.00                  | (761,848.66)          | (946,759.41)          | (20)  |
| 241106 GF Reserved Fund Balance:Reserved for Capital Reserve | (344,900.00)          | 0.00              | 0.00                  | (344,900.00)          | (157,314.60)          | 119   |
| General Fund                                                 | (1,456,748.66)        | 0.00              | 1,201,103.00          | (255,645.66)          | (1,417,496.63)        | (82)  |
| 241001-GW GFAAG Genearl fixed asset account group            | 0.00                  | 0.00              | 0.00                  | 0.00                  | 1,098,418.00          | (100) |
| <b>3100 Net position - restricted for debt service</b>       | <b>(221,490.00)</b>   | <b>0.00</b>       | <b>0.00</b>           | <b>(221,490.00)</b>   | <b>(222,027.50)</b>   | 0     |
| 241000 DSF Unrestricted Fund Balance                         | (645.00)              | 0.00              | 0.00                  | (645.00)              | 0.00                  | 0     |
| 241101 DSF Reserved Fund Balance:Restricted for Debt Service | (220,845.00)          | 0.00              | 0.00                  | (220,845.00)          | (222,027.50)          | (1)   |
| Debt Service Fund                                            | (221,490.00)          | 0.00              | 0.00                  | (221,490.00)          | (222,027.50)          | 0     |
| <b>3200 Net position - unrestricted</b>                      | <b>(1,338,147.85)</b> | <b>3,108.00</b>   | <b>(1,201,103.00)</b> | <b>(2,536,142.85)</b> | <b>(1,100,051.06)</b> | 131   |
| 241000 GF Unrestricted Fund Balance                          | (1,330,642.37)        | 3,108.00          | (1,201,103.00)        | (2,528,637.37)        | (1,091,973.26)        | 132   |
| 241200 GF Assigned to vol firefighters                       | (7,505.48)            | 0.00              | 0.00                  | (7,505.48)            | (8,077.80)            | (7)   |
| General Fund                                                 | (1,338,147.85)        | 3,108.00          | (1,201,103.00)        | (2,536,142.85)        | (1,100,051.06)        | 131   |
| <b>3300 Fund balance - nonspendable</b>                      | <b>(24,368.50)</b>    | <b>0.00</b>       | <b>0.00</b>           | <b>(24,368.50)</b>    | <b>(22,283.50)</b>    | 9     |
| 241003 GF Nonspendable Fund Balance                          | (24,368.50)           | 0.00              | 0.00                  | (24,368.50)           | (22,283.50)           | 9     |
| <b>4000 Property taxes</b>                                   | <b>(2,034,861.00)</b> | <b>0.00</b>       | <b>0.00</b>           | <b>(2,034,861.00)</b> | <b>(1,719,970.14)</b> | 18    |
| 311010 GF Taxes:General Property Taxes:Real Property Taxes   | (2,003,047.63)        | 0.00              | 0.00                  | (2,003,047.63)        | (1,688,908.97)        | 19    |
| 311020 GF Taxes:General Property Taxes:Personal Property Tax | (35,397.64)           | 0.00              | 0.00                  | (35,397.64)           | (21,089.35)           | 68    |
| 311040 GF Taxes:General Property Taxes:Property tax revenue  | 7,140.86              | 0.00              | 0.00                  | 7,140.86              | (4,519.98)            | (258) |
| 312000 GF Taxes:General Property Taxes:Penalties and interes | (3,556.59)            | 0.00              | 0.00                  | (3,556.59)            | (5,451.84)            | (35)  |
| General Fund                                                 | (2,034,861.00)        | 0.00              | 0.00                  | (2,034,861.00)        | (1,719,970.14)        | 18    |
| <b>4100 Intergovernmental revenues</b>                       | <b>(167,453.52)</b>   | <b>0.00</b>       | <b>0.00</b>           | <b>(167,453.52)</b>   | <b>(154,688.49)</b>   | 8     |
| 315000 GF On-behalf payment from State                       | (126,131.00)          | 0.00              | 0.00                  | (126,131.00)          | (111,219.00)          | 13    |
| 316000 GF Entitlement Share                                  | (41,322.52)           | 0.00              | 0.00                  | (41,322.52)           | (40,295.00)           | 3     |
| 331510 GF State Grants:Revenue - State Grants                | 0.00                  | 0.00              | 0.00                  | 0.00                  | (3,174.49)            | (100) |
| General Fund                                                 | (167,453.52)          | 0.00              | 0.00                  | (167,453.52)          | (154,688.49)          | 8     |
| <b>4200 Interest revenue</b>                                 | <b>(56,289.18)</b>    | <b>0.00</b>       | <b>0.00</b>           | <b>(56,289.18)</b>    | <b>(11,952.01)</b>    | 371   |
| 371010 GF Investment Earnings:Interest on General Fund       | (56,289.18)           | 0.00              | 0.00                  | (56,289.18)           | (11,952.01)           | 371   |
| <b>4300 Contributions and donations</b>                      | <b>(21,436.63)</b>    | <b>0.00</b>       | <b>0.00</b>           | <b>(21,436.63)</b>    | <b>(11,044.10)</b>    | 94    |
| 420105 GF Personnel Services:Personnel Wage & Benefit Reimbu | (21,436.63)           | 0.00              | 0.00                  | (21,436.63)           | (11,044.10)           | 94    |
| <b>4400 Miscellaneous revenue</b>                            | <b>(30,716.78)</b>    | <b>(3,108.00)</b> | <b>0.00</b>           | <b>(33,824.78)</b>    | <b>(86,291.06)</b>    | (61)  |
| 320005 GF Firefighter fundraising event:Firefighter fundrais | (3,694.00)            | 0.00              | 0.00                  | (3,694.00)            | (4,867.00)            | (24)  |
| 320010 GF Firefighter fundraising event:Firefighter fundrais | 4,674.93              | 0.00              | 0.00                  | 4,674.93              | 4,458.39              | 5     |
| 362010 GF Miscellaneous Revenues:Other Miscellaneous Revenue | (7,942.19)            | 0.00              | 0.00                  | (7,942.19)            | (11,720.00)           | (32)  |
| 362011 GF Miscellaneous Revenues:Other Miscellaneous Revenue | (6,703.49)            | 0.00              | 0.00                  | (6,703.49)            | (7,668.81)            | (13)  |
| 362014 GF Miscellaneous Revenues:Other Miscellaneous Revenue | (12,330.03)           | 0.00              | 0.00                  | (12,330.03)           | (7,492.53)            | 65    |
| 362015 GF Miscellaneous Revenues:Other Miscellaneous Revenue | 0.00                  | (3,108.00)        | 0.00                  | (3,108.00)            | (877.44)              | 254   |

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**Hyalite Rural Fire District: Governmental Funds**

Year End: June 30, 2023

**Trial Balance - Governmental Funds**

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

**TB-2-2**

| Account                                                      | Prelim            | Adj's              | Reclass     | Rep               | Rep 06/22         | %Chg  |
|--------------------------------------------------------------|-------------------|--------------------|-------------|-------------------|-------------------|-------|
| 365010 GF Contributions and Donations:Private Gifts and Bequ | (3,272.00)        | 0.00               | 0.00        | (3,272.00)        | (15,473.67)       | (79)  |
| 365020 GF Contributions and Donations:Private Grants         | 0.00              | 0.00               | 0.00        | 0.00              | (41,000.00)       | (100) |
| 380000 GF Proceeds From Sale of Equipment                    | (1,450.00)        | 0.00               | 0.00        | (1,450.00)        | (1,650.00)        | (12)  |
| General Fund                                                 | (30,716.78)       | (3,108.00)         | 0.00        | (33,824.78)       | (86,291.06)       | (61)  |
| <b>5000 Personnel services</b>                               | <b>643,787.08</b> | <b>0.00</b>        | <b>0.00</b> | <b>643,787.08</b> | <b>588,501.10</b> | 9     |
| 420010 GF Personnel Services:Payroll Employer Taxes          | 7,021.77          | 0.00               | 0.00        | 7,021.77          | 6,619.96          | 6     |
| 420020 GF Personnel Services:Employer Paid FURS              | 55,499.02         | 0.00               | 0.00        | 55,499.02         | 50,865.56         | 9     |
| 420025 GF Personnel Services:On-Behalf FURS/PERS Expense     | 126,131.00        | 0.00               | 0.00        | 126,131.00        | 111,219.00        | 13    |
| 420030 GF Personnel Services:Employer Paid PERS              | 2,067.75          | 0.00               | 0.00        | 2,067.75          | 2,143.74          | (4)   |
| 420101 GF Personnel Services:Health Insurance Benefits       | 27,845.10         | 0.00               | 0.00        | 27,845.10         | 24,482.63         | 14    |
| 420114 GF Personnel Services:Salaries and Wages:Admin / Book | 23,030.00         | 0.00               | 0.00        | 23,030.00         | 24,143.00         | (5)   |
| 420116 GF Personnel Services:Salaries and Wages:Training Cap | 84,511.95         | 0.00               | 0.00        | 84,511.95         | 70,456.50         | 20    |
| 420117 GF Personnel Services:Salaries and Wages:Asst Fire Ch | 102,721.69        | 0.00               | 0.00        | 102,721.69        | 92,766.58         | 11    |
| 420118 GF Personnel Services:Salaries and Wages:Fire Chief   | 131,075.57        | 0.00               | 0.00        | 131,075.57        | 124,714.13        | 5     |
| 420119 GF Personnel Services:Salaries and Wages:Maintenance  | 83,883.23         | 0.00               | 0.00        | 83,883.23         | 81,090.00         | 3     |
| General Fund                                                 | 643,787.08        | 0.00               | 0.00        | 643,787.08        | 588,501.10        | 9     |
| <b>5100 Materials and services</b>                           | <b>539,850.88</b> | <b>(15,776.00)</b> | <b>0.00</b> | <b>524,074.88</b> | <b>469,437.34</b> | 12    |
| 420201 GF Supplies:Office Supplies and Materials             | 4,610.40          | 0.00               | 0.00        | 4,610.40          | 3,984.80          | 16    |
| 420202 GF Supplies:Facility Supplies                         | 3,991.92          | 0.00               | 0.00        | 3,991.92          | 4,503.99          | (11)  |
| 420203 GF Supplies:Medical Supplies                          | 7,956.17          | 0.00               | 0.00        | 7,956.17          | 11,638.59         | (32)  |
| 420204 GF Supplies:Shop Supplies                             | 10,183.27         | 0.00               | 0.00        | 10,183.27         | 3,619.00          | 181   |
| 420205 GF Supplies:Operation Supplies                        | 10,204.11         | 0.00               | 0.00        | 10,204.11         | 9,272.49          | 10    |
| 420207 GF Small Items of Equipment                           | 7,668.70          | 0.00               | 0.00        | 7,668.70          | 0.00              | 0     |
| 420209 GF Supplies:Clothing & Uniforms                       | 10,706.55         | 0.00               | 0.00        | 10,706.55         | 7,435.41          | 44    |
| 420222 GF Meals/Incentives:Food                              | 13,997.21         | 0.00               | 0.00        | 13,997.21         | 5,010.84          | 179   |
| 420240 GF Fuel                                               | 45,541.62         | 0.00               | 0.00        | 45,541.62         | 37,499.40         | 21    |
| 420330 GF Community Outreach/Education                       | 4.59              | 0.00               | 0.00        | 4.59              | 0.00              | 0     |
| 420331 GF Professional Subscription/Dues:Dues & Licenses     | 896.00            | 0.00               | 0.00        | 896.00            | 2,731.00          | (67)  |
| 420332 GF Professional Subscription/Dues:Fire Protection Edu | 285.00            | 0.00               | 0.00        | 285.00            | 0.00              | 0     |
| 420333 GF Professional Subscription/Dues:Formal & Legal Noti | 553.00            | 0.00               | 0.00        | 553.00            | 851.00            | (35)  |
| 420334 GF Professional Subscription/Dues:Memberships & Regis | 630.00            | 0.00               | 0.00        | 630.00            | 605.00            | 4     |
| 420335 GF Professional Subscription/Dues:Subscriptions       | 10,611.68         | 0.00               | 0.00        | 10,611.68         | 13,064.63         | (19)  |
| 420336 GF Community Outreach/Education:Public Relations      | 5,792.23          | 0.00               | 0.00        | 5,792.23          | 6,391.16          | (9)   |
| 420341 GF Utility Services:Gas & Electric                    | 29,421.54         | 0.00               | 0.00        | 29,421.54         | 25,928.19         | 13    |
| 420342 GF Utility Services:Phones                            | 10,796.19         | 0.00               | 0.00        | 10,796.19         | 12,484.89         | (14)  |
| 420343 GF Utility Services:Website Fees                      | 312.17            | 0.00               | 0.00        | 312.17            | 99.00             | 215   |
| 420344 GF Utility Services:Phone Pager Subscriptions         | 720.00            | 0.00               | 0.00        | 720.00            | 0.00              | 0     |
| 420345 GF Utility Services:TV/Internet Services              | 5,688.25          | 0.00               | 0.00        | 5,688.25          | 5,175.34          | 10    |
| 420346 GF Utility Services:Water/Sewer                       | 1,591.92          | 0.00               | 0.00        | 1,591.92          | 4,885.95          | (67)  |
| 420347 GF Utility Services:Trash                             | 4,843.20          | 0.00               | 0.00        | 4,843.20          | 3,100.71          | 56    |
| 420351 GF Professional Services:Accounting & Auditing        | 41,250.00         | 0.00               | 0.00        | 41,250.00         | 37,890.00         | 9     |
| 420353 GF Professional Services:Legal Services               | 979.50            | 0.00               | 0.00        | 979.50            | 50.00             | 1859  |
| 420354 GF Professional Services:Other Professional Services  | 0.00              | 0.00               | 0.00        | 0.00              | 125.00            | (100) |
| 420355 GF Professional Services:Transport Billing Services   | 392.52            | 0.00               | 0.00        | 392.52            | 0.00              | 0     |
| 420382 GF Public Safety Expenses:Personnel Training Services | 4,422.97          | 0.00               | 0.00        | 4,422.97          | 6,950.00          | (36)  |
| 420383 GF Public Safety Expenses:Personnel Training Services | 0.00              | 0.00               | 0.00        | 0.00              | 200.64            | (100) |
| 420384 GF Public Safety Expenses:Personnel Training Services | 101.50            | 0.00               | 0.00        | 101.50            | 95.00             | 7     |
| 420385 GF Public Safety Expenses:Personnel Training Services | 4,080.38          | 0.00               | 0.00        | 4,080.38          | 5,968.24          | (32)  |
| 420386 GF Public Safety Expenses:Personnel Training Services | 141.55            | 0.00               | 0.00        | 141.55            | 192.16            | (26)  |
| 420387 GF Public Safety Expenses:Personnel Training Services | 4,439.42          | 0.00               | 0.00        | 4,439.42          | 3,950.17          | 12    |
| 420389 GF Public Safety Expenses:Personnel Training Services | 19,492.58         | 0.00               | 0.00        | 19,492.58         | 17,373.14         | 12    |
| 420390 GF Firefighter Physicals                              | 17,769.00         | 0.00               | 0.00        | 17,769.00         | 21,538.00         | (17)  |

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# Hyalite Rural Fire District: Governmental Funds

Year End: June 30, 2023

Trial Balance - Governmental Funds

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-2-3

| Account                                                    | Prelim            | Adj's            | Reclass     | Rep               | Rep 06/22         | %Chg        |
|------------------------------------------------------------|-------------------|------------------|-------------|-------------------|-------------------|-------------|
| 420400 GF Training/Travel - Trustees                       | 404.36            | 0.00             | 0.00        | 404.36            | 325.52            | 24          |
| 420421 GF Facilities:Garbage                               | 311.53            | 0.00             | 0.00        | 311.53            | 317.15            | (2)         |
| 420422 GF Facilities:Lawn/Snow Removal                     | 3,022.99          | 0.00             | 0.00        | 3,022.99          | 1,801.44          | 68          |
| 420423 GF Facilities:Building & Site                       | 43,459.39         | (15,776.00)      | 0.00        | 27,683.39         | 25,439.48         | 9           |
| 420510 GF Insurance:Liability Insurance                    | 46,835.00         | 0.00             | 0.00        | 46,835.00         | 41,618.00         | 13          |
| 420511 GF Insurance:Worker's Comp Insurance                | 20,114.54         | 0.00             | 0.00        | 20,114.54         | 13,977.94         | 44          |
| 420931 GF Safety Equipment:Safety Equipment                | 55,010.27         | 0.00             | 0.00        | 55,010.27         | 59,503.69         | (8)         |
| 420932 GF Safety Equipment:Safety Equipment Maintenance    | 5,822.98          | 0.00             | 0.00        | 5,822.98          | 15,642.11         | (63)        |
| 420940 GF Apparatus                                        | 0.00              | 0.00             | 0.00        | 0.00              | 1,162.93          | (100)       |
| 420943 GF Apparatus:Command Vehicles                       | 0.00              | 0.00             | 0.00        | 0.00              | 3.76              | (100)       |
| 420944 GF Apparatus:Support/Utility Apparatus              | 0.00              | 0.00             | 0.00        | 0.00              | 25.52             | (100)       |
| 420946 GF Apparatus:Ambulance                              | 0.00              | 0.00             | 0.00        | 0.00              | 144.16            | (100)       |
| 669100 GF Other Charges                                    | 494.59            | 0.00             | 0.00        | 494.59            | 0.00              | 0           |
| 420941.1 GF Apparatus:Engines:E-6-1                        | 4,910.74          | 0.00             | 0.00        | 4,910.74          | 5,617.96          | (13)        |
| 420941.2 GF Apparatus:Engines:E-6-2                        | 8,758.88          | 0.00             | 0.00        | 8,758.88          | 6,532.68          | 34          |
| 420941.3 GF Apparatus:Engines:E-6-3                        | 6,929.76          | 0.00             | 0.00        | 6,929.76          | 6,056.61          | 14          |
| 420941.4 GF Apparatus:Engines:E-6                          | 6,473.79          | 0.00             | 0.00        | 6,473.79          | 6,535.99          | (1)         |
| 420941.5 GF Apparatus:Engines:R-6                          | 0.00              | 0.00             | 0.00        | 0.00              | 1,641.69          | (100)       |
| 420942.1 GF Apparatus:Water Tenders:WT 6-1                 | 629.62            | 0.00             | 0.00        | 629.62            | 924.49            | (32)        |
| 420942.2 GF Apparatus:Water Tenders:WT-6-2                 | 600.64            | 0.00             | 0.00        | 600.64            | 149.32            | 302         |
| 420942.3 GF Apparatus:Water Tenders:WT-6                   | 9,330.14          | 0.00             | 0.00        | 9,330.14          | 1,384.47          | 574         |
| 420943.1 GF Apparatus:Command Vehicles:C-6-1 (NEW)         | 525.44            | 0.00             | 0.00        | 525.44            | 3,121.89          | (83)        |
| 420943.2 GF Apparatus:Command Vehicles:C-6-2 (NEW)         | 1,075.34          | 0.00             | 0.00        | 1,075.34          | 2,697.49          | (60)        |
| 420943.3 GF Apparatus:Command Vehicles:C-6-3 (OLD C-6-2)   | 1,043.17          | 0.00             | 0.00        | 1,043.17          | 1,863.99          | (44)        |
| 420943.4 GF Apparatus:Command Vehicles:C-6-4 (OLD C-6-1)   | 2,493.60          | 0.00             | 0.00        | 2,493.60          | 1,198.62          | 108         |
| 420943.5 GF Apparatus:Command Vehicles:C-6                 | 2,999.95          | 0.00             | 0.00        | 2,999.95          | 4,684.30          | (36)        |
| 420943.6 GF Apparatus:Command Vehicles:C-6-5               | 11,969.47         | 0.00             | 0.00        | 11,969.47         | 0.00              | 0           |
| 420944.1 GF Apparatus:Support/Utility Apparatus:U-6-1      | 0.00              | 0.00             | 0.00        | 0.00              | 175.27            | (100)       |
| 420944.2 GF Apparatus:Support/Utility Apparatus:U-6        | 3,300.51          | 0.00             | 0.00        | 3,300.51          | 201.62            | 1537        |
| 420944.3 GF Apparatus:Support/Utility Apparatus:S-6        | 3,960.40          | 0.00             | 0.00        | 3,960.40          | 1,720.10          | 130         |
| 420944.4 GF Apparatus:Support/Utility Apparatus:Plow truck | 2,305.77          | 0.00             | 0.00        | 2,305.77          | 1,213.95          | 90          |
| 420944.5 GF Apparatus:Support/Utility Apparatus:Plow 1     | 0.00              | 0.00             | 0.00        | 0.00              | 1,160.44          | (100)       |
| 420944.6 GF Apparatus:Support/Utility Apparatus:U-6-2      | 79.41             | 0.00             | 0.00        | 79.41             | 5,981.67          | (99)        |
| 420945.1 GF Apparatus:Brush:B-6                            | 314.25            | 0.00             | 0.00        | 314.25            | 0.00              | 0           |
| 420945.2 GF Apparatus:Brush:B-6-1                          | 1,454.29          | 0.00             | 0.00        | 1,454.29          | 0.00              | 0           |
| 420946.1 GF Apparatus:Ambulance:QRU-6                      | 931.48            | 0.00             | 0.00        | 931.48            | 2,104.57          | (56)        |
| 420946.2 GF Apparatus:Ambulance:AMB 6-1 (In Reserve)       | 1,667.35          | 0.00             | 0.00        | 1,667.35          | 1,894.78          | (12)        |
| 420946.3 GF Apparatus:Ambulance:AMB 6-2                    | 12,546.09         | 0.00             | 0.00        | 12,546.09         | 0.00              | 0           |
| General Fund                                               | 539,850.88        | (15,776.00)      | 0.00        | 524,074.88        | 469,437.34        | 12          |
| <b>5300 Debt service - principal</b>                       | <b>215,000.00</b> | <b>0.00</b>      | <b>0.00</b> | <b>215,000.00</b> | <b>215,000.00</b> | <b>0</b>    |
| 490100 DSF Debt Service                                    | 215,000.00        | 0.00             | 0.00        | 215,000.00        | 215,000.00        | 0           |
| <b>5350 Debt service - interest</b>                        | <b>6,490.00</b>   | <b>0.00</b>      | <b>0.00</b> | <b>6,490.00</b>   | <b>7,027.50</b>   | <b>(8)</b>  |
| 490103 DSF Debt Service:Interest GO 2013 bond issue        | 6,490.00          | 0.00             | 0.00        | 6,490.00          | 7,027.50          | (8)         |
| <b>5400 Capital outlay</b>                                 | <b>366,269.03</b> | <b>15,776.00</b> | <b>0.00</b> | <b>382,045.03</b> | <b>428,190.85</b> | <b>(11)</b> |
| 420970 GF Capital Outlay                                   | 0.00              | 0.00             | 0.00        | 0.00              | 428,190.85        | (100)       |
| 420971 GF Capital outlay:Capital outlay - operations       | 366,269.03        | 15,776.00        | 0.00        | 382,045.03        | 0.00              | 0           |
| General Fund                                               | 366,269.03        | 15,776.00        | 0.00        | 382,045.03        | 428,190.85        | (11)        |
| <b>8000 Transfers In/Out</b>                               | <b>0.00</b>       | <b>0.00</b>      | <b>0.00</b> | <b>0.00</b>       | <b>0.00</b>       | <b>0</b>    |

12/15/2023

10:26 AM

**Hyalite Rural Fire District: Governmental Funds**  
**Year End: June 30, 2023**  
**Trial Balance - Governmental Funds**

| Prepared by      | Reviewed by      | Reviewed by |
|------------------|------------------|-------------|
| MS<br>12/11/2023 | SE<br>12/12/2023 |             |

TB-2-4

| Account                | Prelim       | Adj's       | Reclass     | Rep          | Rep 06/22           | %Chg         |
|------------------------|--------------|-------------|-------------|--------------|---------------------|--------------|
| 332100 GF Transfer Out | 220,845.00   | 0.00        | 0.00        | 220,845.00   | 221,490.00          | 0            |
| 332000 DSF Transfer In | (220,845.00) | 0.00        | 0.00        | (220,845.00) | (221,490.00)        | 0            |
|                        | <u>0.00</u>  | <u>0.00</u> | <u>0.00</u> | <u>0.00</u>  | <u>1,098,418.00</u> | <u>(100)</u> |
| Net Income (Loss)      | 539,360.12   |             |             | 542,468.12   | 275,789.01          | 97           |

**Regular Agenda Item 4**  
**2024 HRFD Trustee**  
**Election Resolution**

**RESOLUTION NO. 2024-001**

**HYALITE RURAL FIRE DISTRICT**

**A RESOLUTION CALLING FOR A TRUSTEES ELECTION**

WHEREAS, Section 7-33-2106, MCA, requires that the trustees of the rural fire district are to be elected and can only be appointed by the county commissioners if no nominations are made for the trustee offices; and

WHEREAS, candidates for the office of trustee of the fire district to be filled by the election may file their Declaration of Candidacy form at least 85 days before the election day; and

WHEREAS, the Montana election laws require the election to be held on school election day, which is May 7, 2024 and

WHEREAS, the trustees of the fire district have determined that 2 trustee position(s) will expire in May, 2024; and

WHEREAS, the trustees find that it is necessary to elect 2 trustee(s) at the election in 2024.

**NOW THEREFORE, BE IT RESOLVED:**

1. A trustee election for the above-named rural fire district to elect 2 trustee(s) shall be held on May 7, 2024.
2. A Declaration of Candidacy form for trustee may be filed with the Gallatin County Election Department no later than February 12, 2024. If the number of candidates is equal to or less than the number of positions to be elected, the county governing body shall declare elected by acclamation each candidate who filed a nominating petition for a position. If a nomination is not made for one or more trustee positions, the county governing body shall appoint one or more trustees as necessary to fill those positions.

Dated this \_\_\_\_\_ day of January, 2024.

**BOARD OF TRUSTEES**

By: \_\_\_\_\_  
Justin C. Miller, Chairman

# **Regular Agenda Item 5**

## **ISO Report**



1000 Bishops Gate Blv. Ste 300  
Mt. Laurel, NJ 08054-5404

t1.800.444.4554 Opt.2  
f1.800.777.3929

November 27, 2023

Mr. Pete Geddes, Board Chairman  
Hyalite FPSA  
4541 S 3rd Rd  
Bozeman, Montana, 59715

RE: Hyalite Fpsa, Gallatin County, Montana  
Public Protection Classification: 04/10  
Effective Date: March 01, 2024

Dear Mr. Pete Geddes,

We wish to thank you Mr. Brian Nickolay and Mr. Geoff Solberg for your cooperation during our recent Public Protection Classification (PPC) survey. ISO has completed its analysis of the structural fire suppression delivery system provided in your community. The resulting classification is indicated above.

If you would like to know more about your community's PPC classification, or if you would like to learn about the potential effect of proposed changes to your fire suppression delivery system, please call us at the phone number listed below.

ISO's Public Protection Classification Program (PPC) plays an important role in the underwriting process at insurance companies. In fact, most U.S. insurers – including the largest ones – use PPC information as part of their decision-making when deciding what business to write, coverage's to offer or prices to charge for personal or commercial property insurance.

Each insurance company independently determines the premiums it charges its policyholders. The way an insurer uses ISO's information on public fire protection may depend on several things – the company's fire-loss experience, ratemaking methodology, underwriting guidelines, and its marketing strategy.

Through ongoing research and loss experience analysis, we identified additional differentiation in fire loss experience within our PPC program, which resulted in the revised classifications. We based the differing fire loss experience on the fire suppression capabilities of each community. The new classifications will improve the predictive value for insurers while benefiting both commercial and residential property owners. We've published the new classifications as "X" and "Y" — formerly the "9" and "8B" portion of the split classification, respectively. For example:

- A community currently graded as a split 6/9 classification will now be a split 6/6X classification; with the "6X" denoting what was formerly classified as "9."
- Similarly, a community currently graded as a split 6/8B classification will now be a split 6/6Y classification, the "6Y" denoting what was formerly classified as "8B."

- Communities graded with single “9” or “8B” classifications will remain intact.
- Properties over 5 road miles from a recognized fire station would receive a class 10.

PPC is important to communities and fire departments as well. Communities whose PPC improves may get lower insurance prices. PPC also provides fire departments with a valuable benchmark, and is used by many departments as a valuable tool when planning, budgeting and justifying fire protection improvements.

ISO appreciates the high level of cooperation extended by local officials during the entire PPC survey process. The community protection baseline information gathered by ISO is an essential foundation upon which determination of the relative level of fire protection is made using the Fire Suppression Rating Schedule.

The classification is a direct result of the information gathered, and is dependent on the resource levels devoted to fire protection in existence at the time of survey. Material changes in those resources that occur after the survey is completed may affect the classification. Although ISO maintains a pro-active process to keep baseline information as current as possible, in the event of changes please call us at 1-800-444-4554, option 2 to expedite the update activity.

ISO is the leading supplier of data and analytics for the property/casualty insurance industry. Most insurers use PPC classifications for underwriting and calculating premiums for residential, commercial and industrial properties. The PPC program is not intended to analyze all aspects of a comprehensive structural fire suppression delivery system program. It is not for purposes of determining compliance with any state or local law, nor is it for making loss prevention or life safety recommendations.

If you have any questions about your classification, please let us know.

Sincerely,

*Alex Shubert*

Alex Shubert

Manager -National Processing Center

cc: Mr. Phil George, Water Superintendent, Four Corners Water & Sewer  
Mr. Kenneth Ridgeway, Utility Manager, Rae Water District  
Mr. Brian Nickolay, Chief, Hyalite Fire Department  
Mr. Tim Martindale, Director, Gallatin Co 911 Communications Center  
Mr. Geoff Solberg, Assistant Director, Gallatin Co 911 Communications Center

**Public Protection Classification  
(PPC®)  
Summary Report**

**Hyalite FPSA**

**MONTANA**

**Prepared by**

**Insurance Services Office, Inc.  
1000 Bishops Gate Blvd., Ste. 300  
P.O. Box 5404  
Mt. Laurel, New Jersey 08054-5404  
1-800-444-4554**

**Report Created November 2023  
Effective March 1, 2024**

## Background Information

### Introduction

ISO collects and evaluates information from communities in the United States on their structure fire suppression capabilities. The data is analyzed using our Fire Suppression Rating Schedule (FSRS) and then a Public Protection Classification (PPC®) grade is assigned to the community. The surveys are conducted whenever it appears that there is a possibility of a PPC change. As such, the PPC program provides important, up-to-date information about fire protection services throughout the country.

The FSRS recognizes fire protection features only as they relate to suppression of first alarm structure fires. In many communities, fire suppression may be only a small part of the fire department's overall responsibility. ISO recognizes the dynamic and comprehensive duties of a community's fire service, and understands the complex decisions a community must make in planning and delivering emergency services. However, in developing a community's PPC grade, only features related to reducing property losses from structural fires are evaluated. Multiple alarms, simultaneous incidents and life safety are not considered in this evaluation. The PPC program evaluates the fire protection for small to average size buildings. Specific properties with a Needed Fire Flow in excess of 3,500 gpm are evaluated separately and assigned an individual PPC grade.

A community's investment in fire mitigation is a proven and reliable predictor of future fire losses. Statistical data on insurance losses bears out the relationship between excellent fire protection – as measured by the PPC program – and low fire losses. So, insurance companies use PPC information for marketing, underwriting, and to help establish fair premiums for homeowners and commercial fire insurance. In general, the price of fire insurance in a community with a good PPC grade is substantially lower than in a community with a poor PPC grade, assuming all other factors are equal.

ISO is an independent company that serves insurance companies, communities, fire departments, insurance regulators, and others by providing information about risk. ISO's expert staff collects information about municipal fire suppression efforts in communities throughout the United States. In each of those communities, ISO analyzes the relevant data and assigns a PPC grade – a number from 1 to 10. Class 1 represents an exemplary fire suppression program, and Class 10 indicates that the area's fire suppression program does not meet ISO's minimum criteria.

ISO's PPC program evaluates communities according to a uniform set of criteria, incorporating nationally recognized standards developed by the National Fire Protection Association and the American Water Works Association. A community's PPC grade depends on:

- **Needed Fire Flows**, which are representative building locations used to determine the theoretical amount of water necessary for fire suppression purposes.
- **Emergency Communications**, including emergency reporting, telecommunicators, and dispatching systems.
- **Fire Department**, including equipment, staffing, training, geographic distribution of fire companies, operational considerations, and community risk reduction.
- **Water Supply**, including inspection and flow testing of hydrants, alternative water supply operations, and a careful evaluation of the amount of available water compared with the amount needed to suppress fires up to 3,500 gpm.

## Data Collection and Analysis

ISO has evaluated and classified over 39,000 fire protection areas across the United States using its FSRs. A combination of meetings between trained ISO field representatives and the dispatch center coordinator, community fire official, and water superintendent is used in conjunction with a comprehensive questionnaire to collect the data necessary to determine the PPC grade. In order for a community to obtain a grade better than a Class 9, three elements of fire suppression features are reviewed. These three elements are Emergency Communications, Fire Department, and Water Supply.

A review of the **Emergency Communications** accounts for 10% of the total classification. This section is weighted at **10 points**, as follows:

- Emergency Reporting 3 points
- Telecommunicators 4 points
- Dispatch Circuits 3 points

A review of the **Fire Department** accounts for 50% of the total classification. ISO focuses on a fire department's first alarm response and initial attack to minimize potential loss. The fire department section is weighted at **50 points**, as follows:

- Engine Companies 6 points
- Reserve Pumpers 0.5 points
- Pump Capacity 3 points
- Ladder/Service Companies 4 points
- Reserve Ladder/Service Trucks 0.5 points
- Deployment Analysis 10 points
- Company Personnel 15 points
- Training 9 points
- Operational considerations 2 points
- Community Risk Reduction 5.5 points (in addition to the 50 points above)

A review of the **Water Supply** system accounts for 40% of the total classification. ISO reviews the water supply a community uses to determine the adequacy for fire suppression purposes. The water supply system is weighted at **40 points**, as follows:

- Credit for Supply System 30 points
- Hydrant Size, Type & Installation 3 points
- Inspection & Flow Testing of Hydrants 7 points

There is one additional factor considered in calculating the final score – **Divergence**.

Even the best fire department will be less than fully effective if it has an inadequate water supply. Similarly, even a superior water supply will be less than fully effective if the fire department lacks the equipment or personnel to use the water. The FSRS score is subject to modification by a divergence factor, which recognizes disparity between the effectiveness of the fire department and the water supply.

The Divergence factor mathematically reduces the score based upon the relative difference between the fire department and water supply scores. The factor is introduced in the final equation.

### **PPC Grade**

The PPC grade assigned to the community will depend on the community's score on a 100-point scale:

| PPC | Points         |
|-----|----------------|
| 1   | 90.00 or more  |
| 2   | 80.00 to 89.99 |
| 3   | 70.00 to 79.99 |
| 4   | 60.00 to 69.99 |
| 5   | 50.00 to 59.99 |
| 6   | 40.00 to 49.99 |
| 7   | 30.00 to 39.99 |
| 8   | 20.00 to 29.99 |
| 9   | 10.00 to 19.99 |
| 10  | 0.00 to 9.99   |

The classification numbers are interpreted as follows:

- Class 1 through (and including) Class 8 represents a fire suppression system that includes an FSRS creditable dispatch center, fire department, and water supply.
- Class 8B is a special classification that recognizes a superior level of fire protection in otherwise Class 9 areas. It is designed to represent a fire protection delivery system that is superior except for a lack of a water supply system capable of the minimum FSRS fire flow criteria of 250 gpm for 2 hours.
- Class 9 is a fire suppression system that includes a creditable dispatch center, fire department but no FSRS creditable water supply.
- Class 10 does not meet minimum FSRS criteria for recognition, including areas that are beyond five road miles of a recognized fire station.

## New PPC program changes effective July 1, 2014

We have revised the PPC program to capture the effects of enhanced fire protection capabilities that reduce fire loss and fire severity in Split Class 9 and Split Class 8B areas (as outlined below). This new structure benefits the fire service, community, and property owner.

### New classifications

Through ongoing research and loss experience analysis, we identified additional differentiation in fire loss experience within our PPC program, which resulted in the revised classifications. We based the differing fire loss experience on the fire suppression capabilities of each community. The new PPC classes will improve the predictive value for insurers while benefiting both commercial and residential property owners. Here are the new classifications and what they mean.

### Split classifications

When we develop a split classification for a community — for example 5/9 — the first number is the class that applies to properties within 5 road miles of the responding fire station and 1,000 feet of a creditable water supply, such as a fire hydrant, suction point, or dry hydrant. The second number is the class that applies to properties within 5 road miles of a fire station but beyond 1,000 feet of a creditable water supply. We have revised the classification to reflect more precisely the risk of loss in a community, replacing Class 9 and 8B in the second part of a split classification with revised designations.

### What's changed with the new classifications?

We've published the new classifications as "X" and "Y" — formerly the "9" and "8B" portion of the split classification, respectively. For example:

- A community currently displayed as a split 6/9 classification will now be a split 6/6X classification; with the "6X" denoting what was formerly classified as "9".
- Similarly, a community currently graded as a split 6/8B classification will now be a split 6/6Y classification, the "6Y" denoting what was formerly classified as "8B".
- Communities graded with single "9" or "8B" classifications will remain intact.

| Prior Classification | New Classification |
|----------------------|--------------------|
| 1/9                  | 1/1X               |
| 2/9                  | 2/2X               |
| 3/9                  | 3/3X               |
| 4/9                  | 4/4X               |
| 5/9                  | 5/5X               |
| 6/9                  | 6/6X               |
| 7/9                  | 7/7X               |
| 8/9                  | 8/8X               |
| 9                    | 9                  |

| Prior Classification | New Classification |
|----------------------|--------------------|
| 1/8B                 | 1/1Y               |
| 2/8B                 | 2/2Y               |
| 3/8B                 | 3/3Y               |
| 4/8B                 | 4/4Y               |
| 5/8B                 | 5/5Y               |
| 6/8B                 | 6/6Y               |
| 7/8B                 | 7/7Y               |
| 8/8B                 | 8/8Y               |
| 8B                   | 8B                 |

**What's changed?**

As you can see, we're still maintaining split classes, but it's how we represent them to insurers that's changed. The new designations reflect a reduction in fire severity and loss and have the potential to reduce property insurance premiums.

**Benefits of the revised split class designations**

- To the fire service, the revised designations identify enhanced fire suppression capabilities used throughout the fire protection area
- To the community, the new classes reward a community's fire suppression efforts by showing a more reflective designation
- To the individual property owner, the revisions offer the potential for decreased property insurance premiums

**New water class**

Our data also shows that risks located more than 5 but less than 7 road miles from a responding fire station with a creditable water source within 1,000 feet had better loss experience than those farther than 5 road miles from a responding fire station with no creditable water source. We've introduced a new classification —10W— to recognize the reduced loss potential of such properties.

**What's changed with Class 10W?**

Class 10W is property-specific. Not all properties in the 5-to-7-mile area around the responding fire station will qualify. The difference between Class 10 and 10W is that the 10W-graded risk or property is within 1,000 feet of a creditable water supply. Creditable water supplies include fire protection systems using hauled water in any of the split classification areas.

**What's the benefit of Class 10W?**

10W gives credit to risks within 5 to 7 road miles of the responding fire station and within 1,000 feet of a creditable water supply. That's reflective of the potential for reduced property insurance premiums.

**What does the fire chief have to do?**

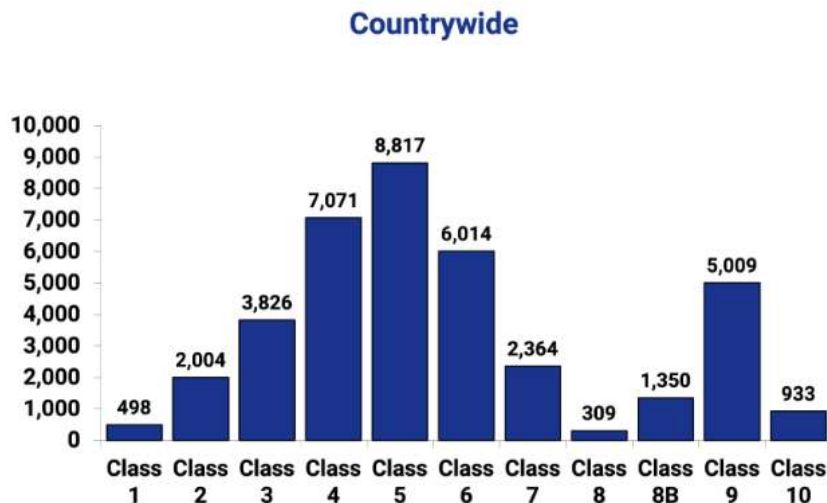
Fire chiefs don't have to do anything at all. The revised classifications went in place automatically effective July 1, 2014 (July 1, 2015 for Texas).

**What if I have additional questions?**

Feel free to contact ISO at 800.444.4554 or email us at [PPC-Cust-Serv@iso.com](mailto:PPC-Cust-Serv@iso.com).

## Distribution of PPC Grades

The 2023 published countrywide distribution of communities by the PPC grade is as follows:



## Assistance

The PPC program offers help to communities, fire departments, and other public officials as they plan for, budget, and justify improvements. ISO is also available to assist in the understanding of the details of this evaluation.

The PPC program representatives can be reached by telephone at (800) 444-4554. The technical specialists at this telephone number have access to the details of this evaluation and can effectively speak with you about your questions regarding the PPC program. What's more, we can be reached via the internet at [www.isomitigation.com/talk/](http://www.isomitigation.com/talk/).

We also have a website dedicated to our Community Hazard Mitigation Classification programs at [www.isomitigation.com](http://www.isomitigation.com). Here, fire chiefs, building code officials, community leaders and other interested citizens can access a wealth of data describing the criteria used in evaluating how cities and towns are protecting residents from fire and other natural hazards. This website will allow you to learn more about the PPC program. The website provides important background information, insights about the PPC grading processes and technical documents. ISO is also pleased to offer Fire Chiefs Online — a special, secured website with information and features that can help improve your PPC grade, including a list of the Needed Fire Flows for all the commercial occupancies ISO has on file for your community. Visitors to the site can download information, see statistical results and also contact ISO for assistance.

In addition, on-line access to the FSRs and its commentaries is available to registered customers for a fee. However, fire chiefs and community chief administrative officials are given access privileges to this information without charge.

To become a registered fire chief or community chief administrative official, register at [www.isomitigation.com](http://www.isomitigation.com).

## PPC Review

ISO concluded its review of the fire suppression features being provided for Hyalite FPSA. The resulting community classification is **Class 04/10**.

If the classification is a single class, the classification applies to properties with a Needed Fire Flow of 3,500 gpm or less in the community. If the classification is a split class (e.g., 6/XX):

- The first class (e.g., “6” in a 6/XX) applies to properties within 5 road miles of a recognized fire station and within 1,000 feet of a fire hydrant or alternate water supply.
- The second class (XX or XY) applies to properties beyond 1,000 feet of a fire hydrant but within 5 road miles of a recognized fire station.
- Alternative Water Supply: The first class (e.g., “6” in a 6/10) applies to properties within 5 road miles of a recognized fire station with no hydrant distance requirement.
- Class 10 applies to properties over 5 road miles of a recognized fire station.
- Class 10W applies to properties within 5 to 7 road miles of a recognized fire station with a recognized water supply within 1,000 feet.
- Specific properties with a Needed Fire Flow in excess of 3,500 gpm are evaluated separately and assigned an individual classification.

| FSTRS Feature                                     | Earned Credit | Credit Available |
|---------------------------------------------------|---------------|------------------|
| <b>Emergency Communications</b>                   |               |                  |
| 414. Credit for Emergency Reporting               | 3.00          | 3                |
| 422. Credit for Telecommunicators                 | 3.59          | 4                |
| 432. Credit for Dispatch Circuits                 | 2.70          | 3                |
| <b>440. Credit for Emergency Communications</b>   | <b>9.29</b>   | <b>10</b>        |
| <b>Fire Department</b>                            |               |                  |
| 513. Credit for Engine Companies                  | 5.97          | 6                |
| 523. Credit for Reserve Pumpers                   | 0.50          | 0.50             |
| 532. Credit for Pump Capacity                     | 3.00          | 3                |
| 549. Credit for Ladder Service                    | 0.92          | 4                |
| 553. Credit for Reserve Ladder and Service Trucks | 0.13          | 0.50             |
| 561. Credit for Deployment Analysis               | 2.73          | 10               |
| 571. Credit for Company Personnel                 | 10.75         | 15               |
| 581. Credit for Training                          | 5.17          | 9                |
| 730. Credit for Operational Considerations        | 2.00          | 2                |
| <b>590. Credit for Fire Department</b>            | <b>31.17</b>  | <b>50</b>        |
| <b>Water Supply</b>                               |               |                  |
| 616. Credit for Supply System                     | 13.41         | 30               |
| 621. Credit for Hydrants                          | 2.94          | 3                |
| 631. Credit for Inspection and Flow Testing       | 3.09          | 7                |
| <b>640. Credit for Water Supply</b>               | <b>19.44</b>  | <b>40</b>        |
| <b>Divergence</b>                                 | <b>-2.75</b>  | <b>--</b>        |
| <b>1050. Community Risk Reduction</b>             | <b>3.55</b>   | <b>5.50</b>      |
| <b>Total Credit</b>                               | <b>60.70</b>  | <b>105.50</b>    |

## **Emergency Communications**

Ten percent of a community's overall score is based on how well the communications center receives and dispatches fire alarms. Our field representative evaluated:

- Communications facilities provided for the general public to report structure fires
- Enhanced 9-1-1 Telephone Service including wireless
- Computer-aided dispatch (CAD) facilities
- Alarm receipt and processing at the communication center
- Training and certification of telecommunicators
- Facilities used to dispatch fire department companies to reported structure fires

|                                                       | <b>Earned Credit</b> | <b>Credit Available</b> |
|-------------------------------------------------------|----------------------|-------------------------|
| 414. Credit Emergency Reporting                       | <b>3.00</b>          | 3                       |
| 422. Credit for Telecommunicators                     | <b>3.59</b>          | 4                       |
| 432. Credit for Dispatch Circuits                     | <b>2.70</b>          | 3                       |
| <b>Item 440. Credit for Emergency Communications:</b> | <b>9.29</b>          | <b>10</b>               |

### **Item 414 - Credit for Emergency Reporting (3 points)**

The first item reviewed is Item 414 "Credit for Emergency Reporting (CER)". This item reviews the emergency communication center facilities provided for the public to report fires including 911 systems (Basic or Enhanced), Wireless Phase I and Phase II, Voice over Internet Protocol, Computer Aided Dispatch and Geographic Information Systems for automatic vehicle location. ISO uses National Fire Protection Association (NFPA) 1221, *Standard for the Installation, Maintenance and Use of Emergency Services Communications Systems* as the reference for this section.

| <b>Item 410. Emergency Reporting (CER)</b>                                                                                                                                                                                                                                                                                                     | <b>Earned Credit</b> | <b>Credit Available</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------|
| <b>A./B. Basic 9-1-1, Enhanced 9-1-1 or No 9-1-1</b><br>For maximum credit, there should be an Enhanced 9-1-1 system, Basic 9-1-1 and No 9-1-1 will receive partial credit.                                                                                                                                                                    | <b>20.00</b>         | <b>20</b>               |
| <b>1. E9-1-1 Wireless</b><br>Wireless Phase I using Static ALI (automatic location identification) Functionality (10 points); Wireless Phase II using Dynamic ALI Functionality (15 points); Both available will be 25 points                                                                                                                  | <b>25.00</b>         | <b>25</b>               |
| <b>2. E9-1-1 Voice over Internet Protocol (VoIP)</b><br>Static VoIP using Static ALI Functionality (10 points); Nomadic VoIP using Dynamic ALI Functionality (15 points); Both available will be 25 points                                                                                                                                     | <b>25.00</b>         | <b>25</b>               |
| <b>3. Computer Aided Dispatch</b><br>Basic CAD (5 points); CAD with Management Information System (5 points); CAD with Interoperability (5 points)                                                                                                                                                                                             | <b>15.00</b>         | <b>15</b>               |
| <b>4. Geographic Information System (GIS/AVL)</b><br><u>The PSAP uses</u> a fully integrated CAD/GIS management system with automatic vehicle location (AVL) integrated with a CAD system providing dispatch assignments.<br><br>The individual fire departments being dispatched <u>do not</u> need GIS/AVL capability to obtain this credit. | <b>15.00</b>         | <b>15</b>               |
| <b>Review of Emergency Reporting total:</b>                                                                                                                                                                                                                                                                                                    | <b>100.00</b>        | <b>100</b>              |

#### **Item 422- Credit for Telecommunicators (4 points)**

The second item reviewed is Item 422 "Credit for Telecommunicators (TC)". This item reviews the number of Telecommunicators on duty at the center to handle fire calls and other emergencies. All emergency calls including those calls that do not require fire department action are reviewed to determine the proper staffing to answer emergency calls and dispatch the appropriate emergency response. The 2013 Edition of NFPA 1221, *Standard for the Installation, Maintenance and Use of Emergency Services Communications Systems*, recommends that ninety-five percent of emergency calls shall be answered within 15 seconds and ninety-nine percent of emergency calls shall be answered within 40 seconds. In addition, NFPA recommends that eighty percent of emergency alarm processing shall be completed within 60 seconds and ninety-five percent of alarm processing shall be completed within 106 seconds of answering the call.

To receive full credit for operators on duty, ISO must review documentation to show that the communication center meets NFPA 1221 call answering and dispatch time performance measurement standards. This documentation may be in the form of performance statistics or other performance measurements compiled by the 9-1-1 software or other software programs that are currently in use such as Computer Aided Dispatch (CAD) or Management Information System (MIS).

| <b>Item 420. Telecommunicators (CTC)</b>                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Earned Credit</b> | <b>Credit Available</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------|
| <b>A1. Alarm Receipt (AR)</b><br>Receipt of alarms shall meet the requirements in accordance with the criteria of NFPA 1221                                                                                                                                                                                                                                                                                                                                  | <b>20.00</b>         | <b>20</b>               |
| <b>A2. Alarm Processing (AP)</b><br>Processing of alarms shall meet the requirements in accordance with the criteria of NFPA 1221                                                                                                                                                                                                                                                                                                                            | <b>11.08</b>         | <b>20</b>               |
| <b>B. Emergency Dispatch Protocols (EDP)</b><br>Telecommunicators have emergency dispatch protocols (EDP) containing questions and a decision-support process to facilitate correct call categorization and prioritization.                                                                                                                                                                                                                                  | <b>20.00</b>         | <b>20</b>               |
| <b>C. Telecommunicator Training and Certification (TTC)</b><br>Telecommunicators meet the qualification requirements referenced in NFPA 1061, <i>Standard for Professional Qualifications for Public Safety Telecommunicator</i> , and/or the Association of Public-Safety Communications Officials - International (APCO) <i>Project 33</i> . Telecommunicators are certified in the knowledge, skills, and abilities corresponding to their job functions. | <b>18.57</b>         | <b>20</b>               |
| <b>D. Telecommunicator Continuing Education and Quality Assurance (TQA)</b><br>Telecommunicators participate in continuing education and/or in-service training and quality-assurance programs as appropriate for their positions                                                                                                                                                                                                                            | <b>20.00</b>         | <b>20</b>               |
| <b>Review of Telecommunicators total:</b>                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>89.65</b>         | <b>100</b>              |

### **Item 432 - Credit for Dispatch Circuits (3 points)**

The third item reviewed is Item 432 “Credit for Dispatch Circuits (CDC)”. This item reviews the dispatch circuit facilities used to transmit alarms to fire department members. A “Dispatch Circuit” is defined in NFPA 1221 as “A circuit over which an alarm is transmitted from the communications center to an emergency response facility (ERF) or emergency response units (ERUs) to notify ERUs to respond to an emergency”. All fire departments (except single fire station departments with full-time firefighter personnel receiving alarms directly at the fire station) need adequate means of notifying all firefighter personnel of the location of reported structure fires. The dispatch circuit facilities should be in accordance with the general criteria of NFPA 1221. “Alarms” are defined in this Standard as “A signal or message from a person or device indicating the existence of an emergency or other situation that requires action by an emergency response agency”.

There are two different levels of dispatch circuit facilities provided for in the Standard – a primary dispatch circuit and a secondary dispatch circuit. In jurisdictions that receive 730 alarms or more per year (average of two alarms per 24-hour period), two separate and dedicated dispatch circuits, a primary and a secondary, are needed. In jurisdictions receiving fewer than 730 alarms per year, a second dedicated dispatch circuit is not needed. Dispatch circuit facilities installed but not used or tested (in accordance with the NFPA Standard) receive no credit.

The score for Credit for Dispatch Circuits (CDC) is influenced by monitoring for integrity of the primary dispatch circuit. There are up to 0.90 points available for this Item. Monitoring for integrity involves installing automatic systems that will detect faults and failures and send visual and audible indications to appropriate communications center (or dispatch center) personnel. ISO uses NFPA 1221 to guide the evaluation of this item. ISO's evaluation also includes a review of the communication system's emergency power supplies.

**Item 432 “Credit for Dispatch Circuits (CDC)” = 2.70 points**

## **Fire Department**

Fifty percent of a community's overall score is based upon the fire department's structure fire suppression system. ISO's field representative evaluated:

- Engine and ladder/service vehicles including reserve apparatus
- Equipment carried
- Response to reported structure fires
- Deployment analysis of companies
- Available and/or responding firefighters
- Training

|                                                   | <b>Earned Credit</b> | <b>Credit Available</b> |
|---------------------------------------------------|----------------------|-------------------------|
| 513. Credit for Engine Companies                  | <b>5.97</b>          | 6                       |
| 523. Credit for Reserve Pumpers                   | <b>0.50</b>          | 0.5                     |
| 532. Credit for Pumper Capacity                   | <b>3.00</b>          | 3                       |
| 549. Credit for Ladder Service                    | <b>0.92</b>          | 4                       |
| 553. Credit for Reserve Ladder and Service Trucks | <b>0.13</b>          | 0.5                     |
| 561. Credit for Deployment Analysis               | <b>2.73</b>          | 10                      |
| 571. Credit for Company Personnel                 | <b>10.75</b>         | 15                      |
| 581. Credit for Training                          | <b>5.17</b>          | 9                       |
| 730. Credit for Operational Considerations        | <b>2.00</b>          | 2                       |
| <b>Item 590. Credit for Fire Department:</b>      | <b>31.17</b>         | <b>50</b>               |

## **Basic Fire Flow**

The Basic Fire Flow for the community is determined by the review of the Needed Fire Flows for selected buildings in the community. The fifth largest Needed Fire Flow is determined to be the Basic Fire Flow. The Basic Fire Flow has been determined to be 3500 gpm.

### **Item 513 - Credit for Engine Companies (6 points)**

The first item reviewed is Item 513 "Credit for Engine Companies (CEC)". This item reviews the number of engine companies, their pump capacity, hose testing, pump testing and the equipment carried on the in-service pumpers. To be recognized, pumper apparatus must meet the general criteria of NFPA 1901, *Standard for Automotive Fire Apparatus* which include a minimum 250 gpm pump, an emergency warning system, a 300 gallon water tank, and hose. At least 1 apparatus must have a permanently mounted pump rated at 750 gpm or more at 150 psi.

The review of the number of needed pumpers considers the response distance to built-upon areas; the Basic Fire Flow; and the method of operation. Multiple alarms, simultaneous incidents, and life safety are not considered.

The greatest value of A, B, or C below is needed in the fire district to suppress fires in structures with a Needed Fire Flow of 3,500 gpm or less: **3 engine companies**

- a) **3 engine companies** to provide fire suppression services to areas to meet NFPA 1710 criteria or within 1½ miles.
- b) **3 engine companies** to support a Basic Fire Flow of 3500 gpm.
- c) **3 engine companies** based upon the fire department's method of operation to provide a minimum two engine response to all first alarm structure fires.

The FSRS recognizes that there are **3 engine companies** in service.

The FSRS also reviews Automatic Aid. Automatic Aid is considered in the review as assistance dispatched automatically by contractual agreement between two communities or fire districts. That differs from mutual aid or assistance arranged case by case. ISO will recognize an Automatic Aid plan under the following conditions:

- It must be prearranged for first alarm response according to a definite plan. It is preferable to have a written agreement, but ISO may recognize demonstrated performance.
- The aid must be dispatched to all reported structure fires on the initial alarm.
- The aid must be provided 24 hours a day, 365 days a year.

FSRS Item 512.D "Automatic Aid Engine Companies" responding on first alarm and meeting the needs of the city for basic fire flow and/or distribution of companies are factored based upon the value of the Automatic Aid plan (up to 1.00 can be used as the factor). The Automatic Aid factor is determined by a review of the Automatic Aid provider's communication facilities, how they receive alarms from the graded area, inter-department training between fire departments, and the fire ground communications capability between departments.

For each engine company, the credited Pump Capacity (PC), the Hose Carried (HC), the Equipment Carried (EC) all contribute to the calculation for the percent of credit the FSRS provides to that engine company.

**Item 513 "Credit for Engine Companies (CEC)" = 5.97 points**

#### **Item 523 - Credit for Reserve Pumpers (0.50 points)**

The item is Item 523 “Credit for Reserve Pumpers (CRP)”. This item reviews the number and adequacy of the pumpers and their equipment. The number of needed reserve pumpers is 1 for each 8 needed engine companies determined in Item 513, or any fraction thereof.

**Item 523 “Credit for Reserve Pumpers (CRP)” = 0.50 points**

#### **Item 532 – Credit for Pumper Capacity (3 points)**

The next item reviewed is Item 532 “Credit for Pumper Capacity (CPC)”. The total pump capacity available should be sufficient for the Basic Fire Flow of 3500 gpm. The maximum needed pump capacity credited is the Basic Fire Flow of the community.

**Item 532 “Credit for Pumper Capacity (CPC)” = 3.00 points**

#### **Item 549 – Credit for Ladder Service (4 points)**

The next item reviewed is Item 549 “Credit for Ladder Service (CLS)”. This item reviews the number of response areas within the city with 5 buildings that are 3 or more stories or 35 feet or more in height, or with 5 buildings that have a Needed Fire Flow greater than 3,500 gpm, or any combination of these criteria. The height of all buildings in the city, including those protected by automatic sprinklers, is considered when determining the number of needed ladder companies. Response areas not needing a ladder company should have a service company. Ladders, tools and equipment normally carried on ladder trucks are needed not only for ladder operations but also for forcible entry, ventilation, salvage, overhaul, lighting and utility control.

The number of ladder or service companies, the height of the aerial ladder, aerial ladder testing and the equipment carried on the in-service ladder trucks and service trucks is compared with the number of needed ladder trucks and service trucks and an FSRS equipment list. Ladder trucks must meet the general criteria of NFPA 1901, *Standard for Automotive Fire Apparatus* to be recognized.

The number of needed ladder-service trucks is dependent upon the number of buildings 3 stories or 35 feet or more in height, buildings with a Needed Fire Flow greater than 3,500 gpm, and the method of operation.

The FSRS recognizes that there are **0 ladder companies** in service. These companies are needed to provide fire suppression services to areas to meet NFPA 1710 criteria or within 2½ miles and the number of buildings with a Needed Fire Flow over 3,500 gpm or 3 stories or more in height, or the method of operation.

The FSRS recognizes that there are **1 service companies** in service.

**Item 549 “Credit for Ladder Service (CLS)” = 0.92 points**

### **Item 553 – Credit for Reserve Ladder and Service Trucks (0.50 points)**

The next item reviewed is Item 553 “Credit for Reserve Ladder and Service Trucks (CRLS)”. This item considers the adequacy of ladder and service apparatus when one (or more in larger communities) of these apparatus are out of service. The number of needed reserve ladder and service trucks is 1 for each 8 needed ladder and service companies that were determined to be needed in Item 540, or any fraction thereof.

**Item 553 “Credit for Reserve Ladder and Service Trucks (CRLS)” = 0.13 points**

### **Item 561 – Deployment Analysis (10 points)**

Next, Item 561 “Deployment Analysis (DA)” is reviewed. This Item examines the number and adequacy of existing engine and ladder-service companies to cover built-upon areas of the city.

To determine the Credit for Distribution, first the Existing Engine Company (EC) points and the Existing Engine Companies (EE) determined in Item 513 are considered along with Ladder Company Equipment (LCE) points, Service Company Equipment (SCE) points, Engine-Ladder Company Equipment (ELCE) points, and Engine-Service Company Equipment (ESCE) points determined in Item 549.

Secondly, as an alternative to determining the number of needed engine and ladder/service companies through the road-mile analysis, a fire protection area may use the results of a systematic performance evaluation. This type of evaluation analyzes computer-aided dispatch (CAD) history to demonstrate that, with its current deployment of companies, the fire department meets the time constraints for initial arriving engine and initial full alarm assignment in accordance with the general criteria of in NFPA 1710, *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments*.

A determination is made of the percentage of built upon area within 1½ miles of a first-due engine company and within 2½ miles of a first-due ladder-service company.

**Item 561 “Credit Deployment Analysis (DA)” = 2.73 points**

### **Item 571 – Credit for Company Personnel (15 points)**

Item 571 “Credit for Company Personnel (CCP)” reviews the average number of existing firefighters and company officers available to respond to reported first alarm structure fires in the city.

The on-duty strength is determined by the yearly average of total firefighters and company officers on-duty considering vacations, sick leave, holidays, “Kelley” days and other absences. When a fire department operates under a minimum staffing policy, this may be used in lieu of determining the yearly average of on-duty company personnel.

Firefighters on apparatus not credited under Items 513 and 549 that regularly respond to reported first alarms to aid engine, ladder, and service companies are included in this item as increasing the total company strength.

Firefighters staffing ambulances or other units serving the general public are credited if they participate in fire-fighting operations, the number depending upon the extent to which they are available and are used for response to first alarms of fire.

On-Call members are credited on the basis of the average number staffing apparatus on first alarms. Off-shift career firefighters and company officers responding on first alarms are considered on the same basis as on-call personnel. For personnel not normally at the fire station, the number of responding firefighters and company officers is divided by 3 to reflect the time needed to assemble at the fire scene and the reduced ability to act as a team due to the various arrival times at the fire location when compared to the personnel on-duty at the fire station during the receipt of an alarm.

The number of Public Safety Officers who are positioned in emergency vehicles within the jurisdiction boundaries may be credited based on availability to respond to first alarm structure fires. In recognition of this increased response capability the number of responding Public Safety Officers is divided by 2.

The average number of firefighters and company officers responding with those companies credited as Automatic Aid under Items 513 and 549 are considered for either on-duty or on-call company personnel as is appropriate. The actual number is calculated as the average number of company personnel responding multiplied by the value of AA Plan determined in Item 512.D.

The maximum creditable response of on-duty and on-call firefighters is 12, including company officers, for each existing engine and ladder company and 6 for each existing service company.

Chief Officers are not creditable except when more than one chief officer responds to alarms; then extra chief officers may be credited as firefighters if they perform company duties.

The FSRs recognizes **6.27 on-duty personnel** and an average of **4.19 on-call personnel** responding on first alarm structure fires.

**Item 571 “Credit for Company Personnel (CCP)” = 10.75 points**

**Item 581 – Credit for Training (9 points)**

| <b>Training</b>                                                                                                                                                                                                                                                                                                                          | <b>Earned Credit</b> | <b>Credit Available</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------|
| <b>A. Facilities, and Use</b><br>For maximum credit, each firefighter should receive 18 hours per year in structure fire related subjects as outlined in NFPA 1001.                                                                                                                                                                      | <b>24.21</b>         | <b>35</b>               |
| <b>B. Company Training</b><br>For maximum credit, each firefighter should receive 16 hours per month in structure fire related subjects as outlined in NFPA 1001.                                                                                                                                                                        | <b>8.72</b>          | <b>25</b>               |
| <b>C. Classes for Officers</b><br>For maximum credit, each officer should be certified in accordance with the general criteria of NFPA 1021. Additionally, each officer should receive 12 hours of continuing education on or off site.                                                                                                  | <b>11.97</b>         | <b>12</b>               |
| <b>D. New Driver and Operator Training</b><br>For maximum credit, each new driver and operator should receive 60 hours of driver/operator training per year in accordance with NFPA 1002 and NFPA 1451.                                                                                                                                  | <b>2.50</b>          | <b>5</b>                |
| <b>E. Existing Driver and Operator Training</b><br>For maximum credit, each existing driver and operator should receive 12 hours of driver/operator training per year in accordance with NFPA 1002 and NFPA 1451.                                                                                                                        | <b>2.21</b>          | <b>5</b>                |
| <b>F. Training on Hazardous Materials</b><br>For maximum credit, each firefighter should receive 6 hours of training for incidents involving hazardous materials in accordance with NFPA 472.                                                                                                                                            | <b>0.17</b>          | <b>1</b>                |
| <b>G. Recruit Training</b><br>For maximum credit, each firefighter should receive 240 hours of structure fire related training in accordance with NFPA 1001 within the first year of employment or tenure.                                                                                                                               | <b>3.65</b>          | <b>5</b>                |
| <b>H. Pre-Fire Planning Inspections</b><br>For maximum credit, pre-fire planning inspections of each commercial, industrial, institutional, and other similar type building (all buildings except 1-4 family dwellings) should be made annually by company members. Records of inspections should include up-to date notes and sketches. | <b>4.02</b>          | <b>12</b>               |

**Item 580 “Credit for Training (CT)” = 5.17 points**

**Item 730 – Operational Considerations (2 points)**

Item 730 “Credit for Operational Considerations (COC)” evaluates fire department standard operating procedures and incident management systems for emergency operations involving structure fires.

| <b>Operational Considerations</b>                                                                                                    | <b>Earned Credit</b> | <b>Credit Available</b> |
|--------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------|
| <b>Standard Operating Procedures</b><br>The department should have established SOPs for fire department general emergency operations | <b>50</b>            | <b>50</b>               |
| <b>Incident Management Systems</b><br>The department should use an established incident management system (IMS)                      | <b>50</b>            | <b>50</b>               |
| <b>Operational Considerations total:</b>                                                                                             | <b>100</b>           | <b>100</b>              |

**Item 730 “Credit for Operational Considerations (COC)” = 2.00 points**

**Water Supply**

Forty percent of a community's overall score is based on the adequacy of the water supply system. The ISO field representative evaluated:

- the capability of the water distribution system to meet the Needed Fire Flows at selected locations up to 3,500 gpm.
- size, type and installation of fire hydrants.
- inspection and flow testing of fire hydrants.

|                                             | <b>Earned Credit</b> | <b>Credit Available</b> |
|---------------------------------------------|----------------------|-------------------------|
| 616. Credit for Supply System               | <b>13.41</b>         | 30                      |
| 621. Credit for Hydrants                    | <b>2.94</b>          | 3                       |
| 631. Credit for Inspection and Flow Testing | <b>3.09</b>          | 7                       |
| <b>Item 640. Credit for Water Supply:</b>   | <b>19.44</b>         | <b>40</b>               |

### **Item 616 – Credit for Supply System (30 points)**

The first item reviewed is Item 616 “Credit for Supply System (CSS)”. This item reviews the rate of flow that can be credited at each of the Needed Fire Flow test locations considering the supply works capacity, the main capacity and the hydrant distribution. The lowest flow rate of these items is credited for each representative location. A water system capable of delivering 250 gpm or more for a period of two hours plus consumption at the maximum daily rate at the fire location is considered minimum in the ISO review.

Where there are 2 or more systems or services distributing water at the same location, credit is given on the basis of the joint protection provided by all systems and services available.

The supply works capacity is calculated for each representative Needed Fire Flow test location, considering a variety of water supply sources. These include public water supplies, emergency supplies (usually accessed from neighboring water systems), suction supplies (usually evidenced by dry hydrant installations near a river, lake or other body of water), and supplies developed by a fire department using large diameter hose or vehicles to shuttle water from a source of supply to a fire site. The result is expressed in gallons per minute (gpm).

The normal ability of the distribution system to deliver Needed Fire Flows at the selected building locations is reviewed. The results of a flow test at a representative test location will indicate the ability of the water mains (or fire department in the case of fire department supplies) to carry water to that location.

The hydrant distribution is reviewed within 1,000 feet of representative test locations measured as hose can be laid by apparatus.

For maximum credit, the Needed Fire Flows should be available at each location in the district. Needed Fire Flows of 2,500 gpm or less should be available for 2 hours; and Needed Fire Flows of 3,000 and 3,500 gpm should be obtainable for 3 hours.

**Item 616 “Credit for Supply System (CSS)” = 13.41 points**

**Item 621 – Credit for Hydrants (3 points)**

The second item reviewed is Item 621 “Credit for Hydrants (CH)”. This item reviews the number of fire hydrants of each type compared with the total number of hydrants.

There are a total of 150 hydrants in the graded area.

| 620. Hydrants, - Size, Type and Installation                                                                                                 | Number of Hydrants |
|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| A. With a 6 -inch or larger branch and a pumper outlet with or without 2½ - inch outlets                                                     | 146                |
| B. With a 6 -inch or larger branch and no pumper outlet but two or more 2½ -inch outlets, or with a small foot valve, or with a small barrel | 0                  |
| C./D. With only a 2½ -inch outlet or with less than a 6 -inch branch                                                                         | 4                  |
| E./F. Flush Type, Cistern, or Suction Point                                                                                                  | 0                  |

**Item 621 “Credit for Hydrants (CH)” = 2.94 points**

**Item 630 – Credit for Inspection and Flow Testing (7 points)**

The third item reviewed is Item 630 “Credit for Inspection and Flow Testing (CIT)”. This item reviews the fire hydrant inspection frequency, and the completeness of the inspections. Inspection of hydrants should be in accordance with AWWA M-17, *Installation, Field Testing and Maintenance of Fire Hydrants*.

**Frequency of Inspection (FI):** Average interval between the 3 most recent inspections.

| Frequency       | Points    |
|-----------------|-----------|
| 1 year          | 30        |
| 2 years         | 20        |
| 3 years         | 10        |
| 4 years         | 5         |
| 5 years or more | No Credit |

**Note:** The points for inspection frequency are reduced by 10 points if the inspections are incomplete or do not include a flushing program. An additional reduction of 10 points are made if hydrants are not subjected to full system pressure during inspections. If the inspection of cisterns or suction points does not include actual drafting with a pumper, or back-flushing for dry hydrants, 20 points are deducted.

**Total points for Inspections = 1.61 points**

**Frequency of Fire Flow Testing (FF):** Average interval between the 3 most recent inspections.

| <b>Frequency</b> | <b>Points</b> |
|------------------|---------------|
| 5 years          | 40            |
| 6 years          | 30            |
| 7 years          | 20            |
| 8 years          | 10            |
| 9 years          | 5             |
| 10 years or more | No Credit     |

**Total points for Fire Flow Testing = 1.48 points**

**Item 631 “Credit for Inspection and Fire Flow Testing (CIT)” = 3.09 points**

**Divergence = -2.75**

The Divergence factor mathematically reduces the score based upon the relative difference between the fire department and water supply scores. The factor is introduced in the final equation.

### **Community Risk Reduction**

|                                                              | <b>Earned Credit</b> | <b>Credit Available</b> |
|--------------------------------------------------------------|----------------------|-------------------------|
| 1025. Credit for Fire Prevention and Code Enforcement (CPCE) | <b>1.34</b>          | 2.2                     |
| 1033. Credit for Public Fire Safety Education (CFSE)         | <b>1.27</b>          | 2.2                     |
| 1044. Credit for Fire Investigation Programs (CIP)           | <b>0.94</b>          | 1.1                     |
| <b>Item 1050. Credit for Community Risk Reduction</b>        | <b>3.55</b>          | <b>5.50</b>             |

| <b>Item 1025 – Credit for Fire Prevention Code Adoption and Enforcement (2.2 points)</b>                                                               | <b>Earned Credit</b> | <b>Credit Available</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------|
| <b>Fire Prevention Code Regulations (PCR)</b><br>Evaluation of fire prevention code regulations in effect.                                             | <b>10.00</b>         | <b>10</b>               |
| <b>Fire Prevention Staffing (PS)</b><br>Evaluation of staffing for fire prevention activities.                                                         | <b>5.76</b>          | <b>8</b>                |
| <b>Fire Prevention Certification and Training (PCT)</b><br>Evaluation of the certification and training of fire prevention code enforcement personnel. | <b>0.60</b>          | <b>6</b>                |
| <b>Fire Prevention Programs (PCP)</b><br>Evaluation of fire prevention programs.                                                                       | <b>8.00</b>          | <b>16</b>               |
| <b>Review of Fire Prevention Code and Enforcement (CPCE) subtotal:</b>                                                                                 | <b>24.36</b>         | <b>40</b>               |

| <b>Item 1033 – Credit for Public Fire Safety Education (2.2 points)</b>                                                                                                                                      | <b>Earned Credit</b> | <b>Credit Available</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------|
| <b>Public Fire Safety Educators Qualifications and Training (FSQT)</b><br>Evaluation of public fire safety education personnel training and qualification as specified by the authority having jurisdiction. | <b>5.50</b>          | <b>10</b>               |
| <b>Public Fire Safety Education Programs (FSP)</b><br>Evaluation of programs for public fire safety education.                                                                                               | <b>17.50</b>         | <b>30</b>               |
| <b>Review of Public Safety Education Programs (CFSE) subtotal:</b>                                                                                                                                           | <b>23.00</b>         | <b>40</b>               |

| <b>Item 1044 – Credit for Fire Investigation Programs (1.1 points)</b>                                                                                                             | <b>Earned Credit</b> | <b>Credit Available</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------|
| <b>Fire Investigation Organization and Staffing (IOS)</b><br>Evaluation of organization and staffing for fire investigations.                                                      | <b>8.00</b>          | <b>8</b>                |
| <b>Fire Investigator Certification and Training (IQT)</b><br>Evaluation of fire investigator certification and training.                                                           | <b>3.00</b>          | <b>6</b>                |
| <b>Use of National Fire Incident Reporting System (IRS)</b><br>Evaluation of the use of the National Fire Incident Reporting System (NFIRS) for the 3 years before the evaluation. | <b>6.00</b>          | <b>6</b>                |
| <b>Review of Fire Investigation Programs (CIP) subtotal:</b>                                                                                                                       | <b>17.00</b>         | <b>20</b>               |

**Summary of PPC Review**  
**for**  
**Hyalite FPSA**

| <b>FSRS Item</b>                                  | <b>Earned Credit</b> | <b>Credit Available</b> |
|---------------------------------------------------|----------------------|-------------------------|
| <b>Emergency Communications</b>                   |                      |                         |
| 414. Credit for Emergency Reporting               | 3.00                 | 3                       |
| 422. Credit for Telecommunicators                 | 3.59                 | 4                       |
| 432. Credit for Dispatch Circuits                 | 2.70                 | 3                       |
| <b>440. Credit for Emergency Communications</b>   | <b>9.29</b>          | <b>10</b>               |
| <b>Fire Department</b>                            |                      |                         |
| 513. Credit for Engine Companies                  | 5.97                 | 6                       |
| 523. Credit for Reserve Pumpers                   | 0.50                 | 0.5                     |
| 532. Credit for Pumper Capacity                   | 3.00                 | 3                       |
| 549. Credit for Ladder Service                    | 0.92                 | 4                       |
| 553. Credit for Reserve Ladder and Service Trucks | 0.13                 | 0.5                     |
| 561. Credit for Deployment Analysis               | 2.73                 | 10                      |
| 571. Credit for Company Personnel                 | 10.75                | 15                      |
| 581. Credit for Training                          | 5.17                 | 9                       |
| 730. Credit for Operational Considerations        | 2.00                 | 2                       |
| <b>590. Credit for Fire Department</b>            | <b>31.17</b>         | <b>50</b>               |
| <b>Water Supply</b>                               |                      |                         |
| 616. Credit for Supply System                     | 13.41                | 30                      |
| 621. Credit for Hydrants                          | 2.94                 | 3                       |
| 631. Credit for Inspection and Flow Testing       | 3.09                 | 7                       |
| <b>640. Credit for Water Supply</b>               | <b>19.44</b>         | <b>40</b>               |
| <b>Divergence</b>                                 | <b>-2.75</b>         | <b>--</b>               |
| <b>1050. Community Risk Reduction</b>             | <b>3.55</b>          | <b>5.50</b>             |
| <b>Total Credit</b>                               | <b>60.70</b>         | <b>105.5</b>            |

**Final Community Classification = 04/10**

**Regular Agenda Item 6**  
**Gallatin County Mutual**  
**Aid Agreement**

**GALLATIN COUNTY  
FIRE AGENCY  
MUTUAL AID AGREEMENT**

THIS AGREEMENT will take effect between and among the signing Agencies when two or more local governments, fire districts or fire service areas in Gallatin County and/or Agencies that border Gallatin County sign the Agreement. This Agreement will supersede all prior Gallatin County Fire Agency Mutual Aid Agreements signed by the signatories of this Agreement.

WHEREAS, in the event of a disaster, incident or other emergency, an Agency may need the assistance of the another Agency or Agencies to this Agreement to provide supplemental fire suppression, emergency medical service equipment and personnel, hazardous materials control, and/or other emergency support; and

WHEREAS, an Agency or Agencies may have the necessary equipment and personnel available to enable it to provide such services in the event of such a disaster, incident or other emergency; and

WHEREAS, the parties to this Agreement have determined that it is in the best interests of all parties to set forth guidelines for providing mutual aid in the case of a disaster, incident or other emergency.

**NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:**

1. **DEFINITIONS.** The following definitions shall apply to this Agreement:

A. "Agency" means any signatory fire district, fire service area, municipality, state agencies or other legally constituted unit of local government within Gallatin County or that border Gallatin County.

B. "Disaster" means the occurrence or imminent threat of widespread or severe damage, injury, or loss of life or property resulting from any natural or artificial cause, including tornadoes, windstorms, snowstorms, wind-driven water, high water, floods, wave action, earthquakes, landslides, mudslides, volcanic action, fires, explosions, air or water contamination requiring emergency action to avert danger or damage, blight, droughts, infestations, riots, sabotage, hostile military or paramilitary action, disruption of state services, accidents involving radiation byproducts or other hazardous materials, outbreak of disease, bioterrorism, or incidents involving weapons of mass destruction.

C. "Emergency" means the imminent threat of a disaster causing immediate peril to life or property that timely action can avert or minimize.

D. "Incident" means an event or occurrence, caused by either an individual or by natural phenomena, requiring action by disaster and emergency services personnel to prevent or minimize loss of life or damage to property or natural resources. The term includes the imminent threat of an emergency. The term does not include a state of emergency or disaster declared by the governor pursuant to § 10-3-302, MCA or § 10-3-303, MCA.

E. "Requesting Agency" means the agency asking for assistance.

F. "Responding Agency" means the agency sending assistance.

2. **PURPOSE** The specific purpose of this Mutual Aid Agreement is to provide mutual assistance to the Agencies for control of fire, fire prevention, emergency medical services, hazardous materials control, and/or other emergency support in the event of a disaster, incident or other emergency pursuant to §7-33-2108, §7-33-2202, §7-33-4112 and §10-3-202, MCA.
3. **TERM.** This Agreement shall remain in full force and effect unless amended or terminated.
4. **REQUEST FOR ASSISTANCE.** The fire chief or designee or incident commander from any Agency may request assistance from any other Agency or Agencies to this Agreement if confronted with an emergency situation at which the Requesting Agency has need for equipment or personnel in excess of that available to the Requesting Agency. A request for assistance should include the type of incident or emergency and the type of equipment, the number of personnel and specify the location where needed.
5. **RESPONSE TO REQUEST.** Upon receipt of a request the Responding Agency will determine if the Responding Agency has equipment and personnel available to respond to the request of the Requesting Agency and determine the type of the equipment and number of personnel available. In the event the requested equipment and/or personnel are not available, then the Responding Agency shall immediately advise the Requesting Agency that assistance cannot be provided.
6. **ASSISTANCE NOT MANDATORY.** Providing assistance to a Requesting Agency is not mandatory.
7. **COMMAND AT INCIDENT SCENE.** Personnel from the Responding Agency shall report to the Requesting Agency's fire chief, designee or incident commander. The Responding Agency's equipment and personnel shall be under the immediate supervision and responsibility of the requesting fire chief, designee or incident commander during the actual operation. The requesting fire chief, designee or incident commander may request an officer of a Responding Agency to assume command. However, relinquishing command shall not relieve the Requesting Agency of responsibility for the operation. Personnel of a Responding Agency shall be considered to be acting under the lawful orders and instructions of their own Agency to and from the operation. They are not to be considered personnel or employees of any other Agency.
8. **RELEASE FROM INCIDENT.** A Requesting Agency shall release a Responding Agency when services are no longer required or when the Responding Agency is needed for service in its own jurisdiction or upon direct request from the Responding Agency.
9. **OPERATING PROCEDURES.** The Agency Fire Chiefs and/or their designee(s) are authorized to adopt operation procedures, guidelines, policies and plans to implement this Agreement through the Gallatin County Fire Council.

10. **LIABILITY.** Each agency shall be responsible for defending claims made against it or its personnel arising from participation in this Agreement. Agencies shall not be obligated to defend claims made against another Agency or its personnel.

11. **COMPENSATION.** Each Agency agrees that it will not seek compensation for services from any signatory Agency under this Agreement, except as allowed pursuant to federal, state and local laws and regulations. This section does not preclude an Agency from directly seeking compensation or reimbursable expenses from a third party.

12. **REIMBURSEMENT.** A Requesting Agency shall provide fuel and reasonable welfare items for Responding Agencies; however, Responding Agencies may elect to not be reimbursed.

13. **INSURANCE.** Each Agency agrees to maintain adequate insurance coverage for its own equipment and personnel.

14. **COUNTY SUPPLEMENTAL INSURANCE COVERAGE.** Gallatin County agrees to provide supplemental disability insurance coverage for those Gallatin County Agency firefighters who are injured while actively engaged in incident response or during transportation to or from an incident under this Agreement. The supplemental coverage is contingent upon the Gallatin County Agency having a primary disability policy in place prior to the injury such as membership in the Montana Volunteer Firefighters' Compensation Act.

15. **AGREEMENT NOT EXCLUSIVE.** This Agreement is not intended to be exclusive as between parties hereto. The parties may, as that party deems necessary or expedient, enter into a separate Mutual Aid Agreement or Agreements with any other party or parties. Entry into such separate Agreements shall not change any relationship or terms of this Agreement unless the parties hereto mutually agree in writing to such change.

16. **ADMINISTRATION, SEPARATE LEGAL ENTITY AND PROPERTY.**

A. No joint board or separate legal entity is created by this Agreement.

B. The ownership of property by each Agency shall not be affected as a result of this Agreement. Property acquired during the term of this Agreement shall belong to the Agency acquiring the property.

17. **FILING OF AGREEMENT.** The original of this Agreement shall be filed with the Montana Secretary of State, Gallatin County Clerk and Recorder and copies shall be filed with each Agency.

IN WITNESS WHEREOF, the undersigned, who are Trustees, Commissioners, Council Members or designated individuals, have executed this Agreement on behalf of their Fire Department, Fire District, Fire Service Area, State Agency or unit of local government, as of the day and year by their names.

END OF AGREEMENT EXCEPT FOR SIGNATURE PAGE(S)

SIGNATURE PAGE(S)  
GALLATIN COUNTY MUTUAL AID AGREEMENT  
FINAL 12/31/2023

HYALITE RURAL FIRE DISTRICT

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: Justin Miller

Chair, Board of Trustees

# **Regular Agenda Item 8**

## **Fire Chief's Report**



## Hyalite Rural Fire District

### Fire Chief's Report

January 2024

Prepared by: Fire Chief Brian Nickolay

1. The Hyalite Fire District responded to a total of 747 incidents in 2023.
  - Total Calls 2022 - 672
  - Total Calls 2021 - 630
  - Total Calls 2020 - 583
  - Total Calls 2019 - 536
  - Total Calls 2018 - 488
2. The Hyalite Fire District responded to 74 incidents in December 2023.
  - Call volume December 2022 - 74
  - Call volume December 2021 - 58
  - Call volume December 2020 - 52
  - Call volume December 2019 - 39
  - Call volume December 2018 - 37
3. The Hyalite Fire District responded to 56 incidents in November 2023.
  - Call volume November 2022 - 60
  - Call volume November 2021 - 42
  - Call volume November 2020 - 54
  - Call volume November 2019 - 44
  - Call volume November 2018 - 37
4. The Hyalite Fire District responded to 57 incidents in October 2023.
  - Call volume October 2022 - 63
  - Call volume October 2021 - 56
  - Call volume October 2020 - 51
  - Call volume October 2019 - 58
  - Call volume October 2018 - 35
5. Incident Staffing Report for December 2023 and November 2023 are not available yet due to myself still learning our new reporting software.
6. Incident Staffing Report for October 2023 -

- Out of the 57 incidents in the month of October we were able to make our standard of cover on 44 incidents which was 77% of the call volume for the month.
  - Fires - 0 out of 0 incidents properly staffed
  - Overpressure Rupture, Explosion, Overheat - No Fire - 0 out of 0 incident properly staffed
  - EMS, MVA and Rescue - 21 out of 24 incidents properly staffed
  - Hazardous Conditions without fire - 0 out of 0 incidents properly staffed
  - Service Calls - 6 out of 7 incidents properly staffed
  - Good Intent Calls - 8 out of 15 incidents properly staffed
  - False Alarms - 2 out of 4 incidents properly staffed

7. Our current roster is at 42 members (effective 1/1/2024).

- 1 Career Fire Chief
- 1 Career Assistant Fire Chief
- 3 Career Captains
- 5 Volunteer Captains
- 3 Volunteer Reserve Captains
- 1 Volunteer Lieutenants
- 10 Volunteer Firefighters
- 12 Volunteers Apprentice Firefighters
- 0 Volunteer Recruit Firefighters
- 2 Volunteer Recruit Driver/Operators
- 3 Volunteer Reserve Firefighters
- 1 Volunteer Reserve Driver/Operator

8. We are continuing to work on our overnight command coverage shortages. We are at 5 of our needed 7 volunteer captains. Assistant Chief Dahlhauser and Captain Malone will be working this spring to promote additional captains. Our current volunteer captains have really stepped up to help cover the open shifts. I am concerned we will face a burnout situation with our captains at this rate. Our hope is to promote additional captains this spring to get us where we need to be. Myself and Assistant Chief Dahlhauser are continuing to work extra to provide coverage at night where we lack volunteer availability. We have been paying overtime to our paid captains to provide overnight coverage if myself or Dahlhauser are unavailable. Overtime pay has been kept within what we budgeted for the fiscal year.

9. We hired 7 of our volunteer firefighters as paid short term firefighters and lieutenants during the Christmas and New Year holiday. We were facing the fact we were going to be down to 2 to 3 volunteers available during this time period. The 7 employees worked a 48 on and 96 hours off shift rotation out of the Sourdough Fire Station. The employment period for the short term employees was December 17th - January 6th. We were able to cut a week off from the original proposal due to a number of our volunteers returning and being available for calls.

- During the time period of the short term employees, we ran on 41 incidents.
- Of those 41 incidents we were able to provide our standard of cover for 32 out of 41 incidents.

- Out of the 32 incidents we made our standard of cover, 20 were directly due to the short term employees. The most critical time was December 18th - January 2nd.

10. We currently have 4 resident firefighters living at the Sourdough Fire Station.

- Current Sourdough Residents -
  - Jack Pemberton, Tyler Newell, Sophie Smith and Robert Bole.
  - We lost Johanna Ficcadenti as a Sourdough resident in November. Johanna moved out due to getting a dog. She is still an active member of the fire district.
  - Robert Bole moved into Sourdough in December.
  - We will have an additional 3 new residents moving into the Sourdough Fire Station in the month of January. This will bring the Sourdough Fire Station to 7 of 8 total residents.
- Sourdough resident firefighters continue to fill weekend shifts Friday 7pm – Monday 7am. With the reduced staffing of our Sourdough Resident Firefighters, we have had three non-resident firefighters (Martin Blake, Broc Altig and Ted Yewer) step up to fill weekend shifts.

11. We currently have 4 resident firefighters living at the Cottonwood Fire Station.

- Current Cottonwood Residents –
  - Zale Filce, Caitlin Fueg, Brennan Lyle and Kate Brownell.
- Cottonwood resident firefighters continue to fill weekday night shifts Monday – Thursday 7pm – 7am.

12. We currently have 1 resident renter at the Rae house.

- Current Rae Renters -
  - Steve Kerbel

13. Non-resident volunteer firefighters continue to cover 6 hour shifts at the Sourdough Fire Station on Monday – Friday 7am – 7pm.

14. We continue our regular multi company fire and EMS training every Wednesday night and command training twice a month. We were on a regular training leave from December 13th - January 8th for the holidays.

15. Our six recruit firefighters in the firefighter academy will be finishing up in February. Captains Malone and Templeton are overseeing the fall academy as instructors. Our academy has been delayed slightly due to FSTS instructor illness.

We also still have two Driver/Operator-EMTs working through their recruit academies.

16. We now have been working on the new 800 radio system in the county. Captain Prato has done a tremendous amount of work to complete this project. We recently made our final radio purchase to complete the project.

17. In November I took an EMAC (Emergency Management Assistance Compact) assignment to Honolulu, Hawaii to assist with the recovery of the Maui wildfires in August. The assignment was from November 13th - December 2nd. I worked as a deputy operations chief for the State of Hawaii Emergency Management. The assignment proved to be extremely valuable to me. I brought back a lot of knowledge on long term recovery after a disaster and more directly after a wildfire with significant structure loss. The assignment provided me with a lot of experience in working with FEMA, the American Red Cross and state emergency operations center ops.

18. We had our annual Night with Santa event at the Sourdough Fire Station on December 13th. We saw about 150 people at the fire station. Everyone had a great time!

19. Our annual holiday party was December 9th. We held the event at a new venue in the fire district. Montana Ale Works once again donated the food. It was great to see trustees at the event!

20. We participated in a mutual aid water supply training with the Central Valley Fire District on November 29th. The training proved to be very beneficial to both agencies.

21. We assisted the Gallatin Gateway Fire District with a residential structure fire on November 10th.

22. We assisted the Amsterdam Fire District with a residential structure fire on December 25th. We provided one command and one engine as auto aid.

23. The fire district has been heavily involved with an EMS study going on in Gallatin County. Gallatin County has contracted with Fitch and Associates to complete the study. The study is wrapping up and we expect to see recommendation results this spring. The study is an effort to address a best practice of delivering EMS services in the county in the future.

24. I am still on the Board of Directors with Montana State Fire Chiefs Association as a combination section director.

25. I am still on the Montana State Fire Chiefs Wildland Fire Committee.

26. I continue to sit on the board of the Gallatin County Fire Council as Vice President. I also continue to chair the Gallatin County Fire Council communications committee.

27. Assistant Chief Dahlhauser continues to chair the training committee with the Gallatin County Fire Council.

28. I am still a Gallatin County Deputy Fire Warden as well as a Gallatin County Deputy Emergency Managements Officer.

29. Our ambulance transport plan is complete and we are actively transporting patients to the hospital. Income has begun to come in from Pintler Billing for our transports

30. We have experienced no firefighter injuries in the months of October, November and December.

31. All Hyalite Fire apparatus are currently in service.